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# ***Daily Report***

## **East Asia**

FBIS-EAS-93-117  
Monday  
21 June 1993

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FBIS-EAS-93-117

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21 June 1993

NOTICE TO READERS: An \* indicates material not disseminated in electronic form.

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## Japan

### Reportage on Political Situation Continues

#### Miyazawa Holds News Conference

OW1806160693 Tokyo NHK General Television  
Network in Japanese 1349 GMT 18 Jun 93

[News conference by Prime Minister Kiichi Miyazawa with domestic reporters at the prime minister's official residence in Tokyo—live]

[Text] [Press corps dean] Mr. Prime Minister. Now, I would like to start this news conference. First, as dean of the press corps, I would like to ask you a few questions.

I am sure that adoption of the no-confidence motion today must have been a matter of regret for you, Mr. Prime Minister. As far as I am concerned, I thought you would have decided on a general resignation of the cabinet. And I feel that many of our people must have felt the same way. I would like to ask you a straight question. In reviewing remarks you made during the past month on the political reform issue, which is seen as the most important task, you said that you would carry it out at all costs. And you said that you never tell lies. You also said that people should let you carry out the task. You have made such remarks consecutively, and we have cherished expectations of you.

The result, however, indicates that you have failed to carry it out. In view of your remarks, is it not true that you have gone back on your word? Have you not lied? What do you have to say about this?

[Miyazawa] Well, concerning this task, I did want to carry it out. I have always felt that it must be done. However, it was not carried out. Therefore, if you ask me if it is a matter of regret, my answer is: That is quite correct. Since it is a matter that has to be regretted, I must offer my apologies.

It goes without saying that I did not intend to lie. As the result indicates, it was very difficult, and I could not do what I wanted to do. I, personally, am very sorry about the result.

Concerning this task, many years ago, it was Mr. Hatoyama and most recently, it was Mr. Tanaka and Mr. Kaifu [former prime ministers] who were asked to deal with the same issue. I have come to keenly realize that the issue of reforming the electoral system is very difficult to handle. As far as I am concerned, I did want to carry it out, and there was a time when I was confident that it could be done. However, it turned out to be very difficult. Therefore, no progress was made in carrying out this task.

We must make a fresh start on this issue and challenge it again as the task remains to be carried out.

[Press corps dean] The ruling and opposition parties have failed to reach a compromise. What do you think is the major reason for this failure?

[Miyazawa] Let me tell you this. I have learned through a fairly thorough investigation that very long deliberations in various forms were carried out at the special committee,

but discussions among specialists were deadlocked. This must be true. When viewed from the steps taken by the party organs—such as the General Council—such a situation should not have developed. They felt that such a situation should never have happened. As a result, the decision was made that we should go back to the single-seat system, which can be understood by everybody.

Therefore, there is a considerable difference of opinion between the so-called specialists on this issue—who have spent over 100 hours in deliberations—on one hand, and those who have been watching the issue develop without much concern, on the other. Moreover, the issue does not concern ideology; it is an issue that could affect their own election. I do not think the current issue is an easy one, such as a question of adding one number to another and then dividing the total by two.

[Reporter] I am sorry, but I would like to go back to the earlier topic. Mr. Prime Minister, you said that in trying to carry out reform of the electoral system, you keenly realized that it is very difficult. And you also said that you would like to challenge the issue.

Mr. Prime Minister, you promised the people to carry it out by the end of this Diet session. How are you going to handle that responsibility?

[Miyazawa] That is the very reason I wanted to carry it out even to the point of extending the Diet session. As Mr. Speaker said today, if we stop now, all the efforts will have been in vain. I also felt strongly about this.

However, the actual situation is that it has become impossible to extend the Diet session, and I feel it as a matter of regret.

[Reporter] Mr. Prime Minister, you just said that the issue of political reform is a task that has to be challenged again. Now that the no-confidence motion has been adopted, the bill has become null and void. In concrete terms, how do you plan to challenge the issue in the future?

[Miyazawa] As far as the party is concerned, it has been dealing with this issue since February of last year. Moreover, deliberations were recently held at the special committee sessions between the committee, on the one hand, and the party, on the other. I would like to find out what can be done through the deliberations that have been held thus far. Concerning such major subjects as political ethics, fighting corruption, and political fund control, there are minor obstacles to the final accord, but these issues are comparatively easier to settle. It is very difficult, however, to say what we can do for electoral reform. I think we should consider this issue further on the foundation of our experiences accumulated in the past.

[Reporter] In the government statement, no mention was made of the fact that no consensus was reached among the members of the Liberal Democratic Party [LDP]. What do you think of this point?

[Miyazawa] Well, it concerns the fact that the intraparty view of the LDP is represented by the General Council. I



would say it is represented, at any rate. Aside from this view, however, numerous views have been expressed. Therefore, the LDP did have an intraparty problem of coordinating these different views. Since the current no-confidence motion did not originate in this issue, that fact was not mentioned in the statement. Various problems were brought up within the LDP. However, I feel that the no-confidence move itself was raised by the opposition.

[Reporter] It has been reported that a number of young politicians dissatisfied with the handling of the political reform issue have decided to quit the party. What do you think of them, Mr. Prime Minister?

[Miyazawa] Well, many of them used to call on me, and I happen to know some of their fathers. Many of them are nice persons. Therefore, I would like to continue my association with them, and I hope they will keep in touch. In due time, I would like to listen to their feelings. Of course, they must have various opinions about political reform as well as the measures taken by the LDP in the past few years, and their opinions must be worthy of listening to.

[Reporter] In today's voting on the no-confidence motion, as many as 39 LDP Diet members, including 34 from the Hata faction, voted in favor of the motion. As party president, do you plan to take any disciplinary action against them?

[Miyazawa] Well, I guess they have problems.

[Reporter] Mr. Prime Minister, there have been various reports on the no-confidence motion. While some reports said the vote would not be held, others said that it would be held. The result, however, is that the vote was held and the motion was approved. Then there was no general resignation, but a dissolution of the lower house. Would you please give a brief explanation of this development and the reasons for it?

[Miyazawa] Well, dissolution of the cabinet was not in my mind at all. So, I guess your question is about how I decided on the timing of the lower house dissolution—before or after passage of the no-confidence motion. I preferred the so-called Article 69 dissolution, but LDP faction leaders had various opinions on that point. We had to choose one of the two options, although I personally thought the Article 69 dissolution was favorable. While there were various opinions on the style of the dissolution, I think my choice was correct.

[Reporter] Do you mean you planned an Article 69 dissolution at first?

[Miyazawa] Yes I did, but I was not supposed to decide it by myself. I received many phone calls from party leaders, and some of their opinions differed from mine. I had to make some adjustment on this point. At last, however, I could do as I wished.

[Reporter] I think passage of the no-confidence motion is the worst situation for a host nation of the upcoming G-7 summit. Do you not think so?

[Miyazawa] I do not think so. To handle such a situation, the Constitution ensures the prime minister's authority to dissolve the lower house. Since this is a legal appeal to the voters' judgment, I do not think it is a questionable choice.

[Reporter] What will be the impact on the G-7 summit?

[Miyazawa] I will try my best, and everybody in the government will try his or her best to conduct the summit successfully. I think the only difference is that the upcoming summit will be held in the midst of Japan's democratic process. I do not think it will be an obstacle to the summit, however.

[Reporter] When did you decide to dissolve the lower house?

[Miyazawa] I still have something I must not disclose; however, I thought I should avoid dissolution, if possible. In fact, there were some opportunities to settle the situation. There were opportunities—but they are all history now.

[Reporter] What made you feel dissolution should be avoided?

[Miyazawa] I thought so because it ruins political reform. The lower house special committee has been discussing the issue. If the Diet session had been appropriately extended, the committee might have finalized some plan to send it to the upper house; however, now we have to stop our efforts all at once. To tell the truth, I feel deep emotion seeing that our efforts for political reform came to nothing.

[Reporter] To extend the Diet session as you just said, it was necessary to promote intra- and inter-party consultations in a more positive manner...

[Miyazawa, interrupting] That is true. The special committee was actually looking for such positive consultations. Members were working on their duty in a very positive manner, while the committee's opinions were very different from that of the LDP General Council.

[Reporter] Were there any differences between you and LDP Secretary General Seiroku Kajiyama in your efforts to achieve political reform?

[Miyazawa] I do not think there were any differences. As you know, I usually leave some things that I think should be done in the hands of the official in charge, such as the secretary general. I think it is important to do so in dealing with matters of great political significance. Even without my specific orders, Kajiyama has handled matters before that I have given him. I trust Kajiyama.

[Reporter] At the last moment, you decided to adopt the LDP's original reform plan. Before you reached this decision, did you consider a compromise with opposition parties?

[Miyazawa] Yes. Yes, I considered it many times.

[Reporter] Can you elaborate on your compromise plan?



[Miyazawa] It is useless to talk about my compromise plan since everything is over. Moreover, I would have to go into detail to explain my plan.

[Reporter] Some people think if you could exercise leadership over each step of discussion on election reform, the situation could be different.

[Miyazawa] I disagree. This is not an ideological matter. Everybody discusses election reform while thinking about their constituencies. Election reform is not easy. A compromise will be made at a point when the discussions have become very complicated. Even if one person works out a splendid reform plan, it will not be adopted. In this context, the 107-hour Diet debate on election reform is of great significance in terms of future discussions.

[Reporter] Some of the LDP members voted for the no-confidence motion, and some submitted requests to leave the party, and so now the LDP has to face the general election with the party split in two groups. What do you think?

[Miyazawa] As you know, various things happen in the election process. There are several factions within the LDP. Even if it happens that the party factions confront each other in the election, the party itself will be able to maintain its unity. It is hard to say whether the split in our party will worsen the situation or the split will be mended after the general election. The answer will differ depending on the election results. In my opinion, we should be broad-minded and generous in thinking of our party. I think this should be a basic attitude LDP members have toward the party; however, whether those who revolted against the party decision in the no-confidence vote should be forgiven is quite a different matter. The LDP is a group that shares the same thoughts and same sense of values. The LDP is neither a socialist group nor a communist group, nor is it Komeito. LDP members should be aware that because we do share the same sense of values we should cherish our party.

[Reporter] Nevertheless, taking into account the fact that many LDP members revolted in the no-confidence vote, I think it is very difficult for the LDP to win a majority of the seats in the upcoming general elections. What do you think?

[Miyazawa] I think the revolt has created many problems. We have faced various kinds of elections in the past, and several times I have witnessed the results of elections bringing about various changes within the party. I think the revolt by some party members is very problematic; however, when I think of the future of the LDP, I think I should be generous and avoid antagonistic thinking.

#### **U.S. Government Expresses Concern**

*OW1806231993 Tokyo KYODO in: English 2308 GMT  
18 Jun 93*

[Text] Washington, June 18 KYODO—The U.S. Government Friday expressed concern about the political turmoil in Japan, saying it could put a brake on ongoing trade negotiations between the two countries. White House Press Secretary Dee Dee Myers said the political upheaval in

Tokyo triggered by the passage of a no-confidence vote against the government of Prime Minister Kiichi Miyazawa could "slow things down a bit."

While U.S. officials were careful to avoid speculating on the political future of the embattled Japanese premier, they made no secret about Washington's concern about political fallout just when U.S. President Bill Clinton is preparing for a trip to Tokyo. Clinton is scheduled to hold talks with Miyazawa and attend a summit of the Group of Seven (G-7) industrialized nations.

By the time Clinton heads to Tokyo in early July, the two governments are supposed to hammer out a broad agreement on how to ease strained bilateral trade relations, but White House officials said they are not sure that can be done. "I think that depends on what happens between now and then," said Myers.

U.S. officials said Washington will press ahead with the series of trade negotiations scheduled in Japan in the coming weeks but indicated that the United States will have to reassess its strategy in view of the political upheavals in Tokyo.

One senior U.S. trade official suggested that Japanese Government officials may avoid engaging in serious negotiations on bilateral trade issues until the air clears in Japan.

"I think that it is reasonable to assume that they will say 'we can't be talking about...your bilateral issues for some period of time.' And, to some extent, I suppose that's realistic," said Ira Shapiro, senior adviser to U.S. Trade Representative Mickey Kantor.

The political calendar in Tokyo is crowded with a series of bilateral as well as multilateral trade negotiations leading up to the G-7 summit in Tokyo from July 7 to 9.

On June 23 and 24, trade ministers from the U.S., Canada, and the European Community will assemble in Tokyo and join the Japanese for a four-way meeting to wrap up a major market access package to boost world trade. Then on June 27 and 28, senior government officials from Japan and the U.S. will meet in Tokyo to hammer out a new framework for the economic relationship between the two countries.

At the same time, the U.S. has demanded that Japan take action to remove barriers against U.S. companies in the Japanese construction market by June 30 or else face U.S. trade sanctions.

U.S. State Department spokesman Michael McCurry stressed that Washington is particularly concerned about the talks on the bilateral economic framework, which the U.S. hopes would help slash Japan's huge trade surplus and lead to a more balanced trade relationship between the two countries.

"Our ongoing negotiations with the Japanese Government on the new economic framework are very, very important and surely will continue," McCurry said at a news briefing at the state department.



While U.S. officials were circumspect in their public comments on the political crisis in Tokyo, political commentators did not mince words.

Miyazawa, who now heads a caretaker government after dismissing the parliament following the no-confidence vote, will face "his most embarrassing moments" in life when he meets with Clinton and other G-7 leaders in Tokyo, U.S. trade expert Paula Stern said.

#### **MITI Chief Expresses Concern**

*OW1806144693 Tokyo KYODO in English 1433 GMT  
18 Jun 93*

[Text] Tokyo, June 18 KYODO—International Trade and Industry Minister Yoshiro Mori expressed concern Friday that the political tumult may put a drag on the already fragile economy.

Mori told a press conference after the cabinet decided to dissolve the House of Representatives that he regrets it because he had hoped Japan could host the Tokyo summit of the Group of Seven (G-7) economic powers in early July under the best conditions. He said he fears the political vacuum will have a big impact on the economy.

Mori was surprisingly understanding toward renegade members of the ruling Liberal Democratic Party (LDP), led by former Finance Minister Tsutomu Hata, who backed a no-confidence motion against Prime Minister Kiichi Miyazawa's government earlier in the day. "I suspect they have reasons for doing it...I sort of understand them," he said.

#### **Funada Views Effects on Market**

*OW1806034493 Tokyo KYODO in English 0332 GMT  
18 Jun 93*

[Text] Tokyo, June 18 KYODO—Declines in Japanese stock prices are unlikely to affect the nation's economic recovery, Japan's chief economic planner said Friday.

Hajime Funada, director general of the Economic Planning Agency [EPA], also told reporters after a regular cabinet meeting that the weakness in the stock market was not caused solely by political turmoil in Japan. Tokyo stocks dropped sharply in extremely thin trading Friday morning as the market remained paralyzed by expectations that Prime Minister Kiichi Miyazawa may dissolve the House of Representatives in the face of an opposition no-confidence measure. The Nikkei stock average of 225 selected issues dropped 247.37 points to close the morning session at 19,678.14.

Funada said the effect on the nation's economy of the stock market slide below the psychological barrier of 20,000 should not be ignored, but added he does not think the decline is too sharp.

#### **No 'Delay' in Diplomatic Schedule**

*OW1806035993 Tokyo KYODO in English 0349 GMT  
18 Jun 93*

[Excerpts] Tokyo, June 18 KYODO—Foreign Minister Kabun Muto said Friday that a dissolution of the lower

house of the Diet would adversely affect Japan's position as host of the July 7-9 Group of Seven (G-7) summit.

"It is only natural that it would be better that the summit be held under normal circumstances," Muto told reporters after a cabinet meeting. [passage omitted on Prime Minister Miyazawa's push to extend the current Diet session, covered by ref two]

Muto said a dissolution would not, however, delay Japan's diplomatic schedule. His remarks indicate that trade talks with the United States and a visit by Muto to South Korea will go ahead as planned.

#### **Effect on Islands Dispute Viewed**

*OW1806181693 Tokyo KYODO in English 1522 GMT  
18 Jun 93*

[Text] Moscow, June 18 KYODO—The Japanese parliament's vote of no-confidence in Prime Minister Kiichi Miyazawa will favor President Boris Yeltsin in a territorial row when they meet during July's Tokyo summit of leaders of the Group of Seven (G-7) major economic powers, a senior presidential aide said Friday.

In talks with Yeltsin, Miyazawa is expected to renew Japan's demand for return of four Russian-held islands off Hokkaido. Yeltsin is scheduled to meet with the G-7 leaders on the closing day of the summit.

In a June 12 press conference, Yeltsin said he would not be very happy if the issue was put on the agenda, as he had "nothing new to say." Japan has long called for return of the four Russian-held islands which the former Soviet Union seized at the end of World War II.

The aide said the general elections for the House of Representatives in July enhanced the prospect for a presidential visit to Japan in the autumn, as they will clarify the now unclear future of the Miyazawa government.

In a letter to Miyazawa, Yeltsin had earlier asked the Japanese Government consider rescheduling a twice-canceled state visit for September or October.

#### **Mori Opposes Cabinet Resignation**

*OW1806043493 Tokyo KYODO in English 0423 GMT  
18 Jun 93*

[Text] Tokyo, June 18 KYODO—Japan's trade minister voiced objections Friday to the possible mass resignation of Prime Minister Kiichi Miyazawa's cabinet, saying the cabinet has a responsibility to the public and citing the nation's hosting of the Tokyo Group of Seven (G-7) summit in early July.

International Trade and Industry Minister Yoshiro Mori told reporters after a regular cabinet meeting that it would be "highly irresponsible toward the public for the cabinet to resign" amid economic uncertainties and also ahead of international meetings. Mori said the political crisis facing the government should be resolved either through voting on a no-confidence motion lodged by the opposition parties or by extending the Diet session, which is to end Sunday.



Referring to the G-7 summit of major industrial nations, Mori said, it would "be rude" of the cabinet to host overseas guests in abnormal conditions. Turning to the economy, he said that private capital investment and personal consumption are showing no signs of recovery and the yen's rise is a factor of instability clouding the economic prospects.

Mori took a swipe at Economic Planning Agency chief Hajime Funada, saying he can't understand those ministers responsible for economic affairs who "run away first." Funada, a member of the Hata faction in the ruling party, said earlier he favored the cabinet resigning.

### **Hayami Supports Two-Party System**

*OW1806152093 Tokyo KYODO in English 1317 GMT  
18 Jun 93*

[Text] Tokyo, June 18 KYODO—Masaru Hayami, chairman of the Japan Association of Corporate Executives, expressed the hope Friday that a coming general election will be a step toward a two-party system in which the contenders truly vie for power. Prime Minister Kiichi Miyazawa decided to dissolve the House of Representatives after he failed to survive a no-confidence motion at a plenary session.

Hayami told reporters he was dissatisfied with a lack of progress on political reform during the current Diet session, which ends Sunday. He praised a move by the faction led by former Finance Minister Tsutomu Hata for "causing a stir" in the nation's politics. The Hata faction voted for the no-confidence motion tabled by three opposition parties, and thus made possible the motion's passage.

Hayami brushed aside fears that a political "vacuum" resulting from the general election will have an unfavorable effect on the nation's economy and the July 7-9 Tokyo summit meeting of Group of Seven (G-7) leading industrialized nations. "Japanese enterprises are concentrating on their management and leaders of the nations participating in the summit talks each have domestic problems," he said.

### **'At Least 813' To Run in Election**

*OW1806160393 Tokyo KYODO in English 1540 GMT  
18 Jun 93*

[Text] Tokyo, June 18 KYODO—At least 813 people plan to run in July's snap general election for the House of Representatives, which Prime Minister Kiichi Miyazawa dissolved Friday following passage of a no-confidence motion against his cabinet.

The date of the election has not yet been set, but many political analysts say voting will likely take place July 18 or 25, both Sundays. Under constitutional rules, the Miyazawa cabinet must call a general election within 40 days of dissolving the lower house.

Stalled political reform, the cause of the no-confidence vote, will be the biggest theme in the campaign. Japan's contribution to international peacekeeping activities and market access problems will also be contentious issues, analysts said.

The 813 likely candidates include 321 expected to run on the ticket of Miyazawa's ruling Liberal Democratic Party (LDP). Six opposition parties plan to field 385 candidates—137 for the Social Democratic Party [of Japan] (SDP) [SDPJ], 54 for Komeito, 128 for the Japanese Communist Party (JCP), 29 for the Democratic Socialist Party (DSP), four for the United Social Democratic Party (USDP), and 33 for the Japan New Party (JNP). There are 107 independents expected to run. The SDP and JNP plan to add more candidates to their rosters.

Before the lower chamber's dissolution, the LDP's strength stood at 274, compared with 140 for the SDP, 46 for Komeito, 16 for the JCP, 13 for the DSP and four for the USDP. The JNP, established a year ago, has no seats in the lower house.

There will be 511 seats contested, one seat less than the present 512 because legislation for a partial redistribution has been enacted. It will be the first general election for the JNP, which won four seats in a House of Councillors' election in July 1992.

The four-year term of office of incumbent lower house members was to expire in February 1994. The election, Japan's 40th for the lower house, will be carried out under the existing multiseat constituency system because the LDP and opposition parties failed to reach a compromise over electoral reform.

The parties agonized over ways to introduce a different electoral system to replace one which many politicians say guzzles money for campaigning and is the root of money scandals. A series of scandals led to the Miyazawa cabinet to present a package of political reform bills which call among other things for changing the lower house's electoral system and tightening controls on political funding.

Voters' distrust in politics intensified following the arrest and subsequent indictment of fallen LDP kingpin Shin Kanemaru on suspicion of massive tax evasion on undeclared income.

### **Professors, Commentators Debate**

*OW1806180493 Tokyo KYODO in English 1519 GMT  
18 Jun 93*

[By Takehiko Kajita]

[Text] Tokyo, June 18 KYODO—Japan will see a stepped-up drive for a reconfiguration of political parties after the coming general election, a move that may leave the long-dominant Liberal Democratic Party (LDP) with considerably reduced power.

"The next general election will surely lead to a political realignment," said political commentator Minoru Morita. He said LDP rebels who helped pass an opposition no-confidence motion against the cabinet of Prime Minister Kiichi Miyazawa in the powerful House of Representatives will break away from the LDP to form a splinter party. The new party and the fledgling Japan New Party (JNP) will compete with the LDP in a three-way fight in seeking support from conservative voters in Japan, he said.



"A change of government will take place for the first time in 38 years since 1955, when the LDP was founded," Morita said. "It will be an epoch-making event."

While the LDP is certain to suffer a major setback in the coming general election, things will not necessarily come up roses for major opposition parties.

"It's true there is a strong sentiment against the LDP. But the question is which opposition party can replace the LDP," said Yasunori Sone, a professor on political science at Keio University. He said only the popular JNP will be able to score a "victory" by winning 30 seats or more. The 13-month-old party currently holds no seats in the lower house but four in the less powerful House of Councillors.

Other opposition parties will have no chance of increasing their strength in the Diet "because they haven't made any preparation for an election," he added.

Mitsuru Uchida, a professor of political science at Waseda University, voiced skepticism about the JNP's future, saying the party owes its popularity to that of its chief Morihiro Hosokawa. "It's impossible for a party to perform well in an election without candidates of ability." Even if the party fares well in a general election or two to come, it will eventually wind up being absorbed by some other party, he predicted.

As a result, Uchida said, Japan's political community will enter a transitional phase as it searches for a party strong enough to take up the reins of power by itself.

The political earthquake jolted Japan after attempts to achieve political reform centering on electoral changes and tighter curbs on political funding were foiled.

Keio University's Sone stressed the need for a powerful party to fill the power vacuum and carry out political reform. "The public will not be satisfied unless some answer can be presented."

In the meantime, Uchida strongly blamed Miyazawa for reneging on a pledge to get political reform legislation into the statute books in the current Diet session, which ends Sunday [20 June]. The dissolution of the lower house for a snap election is a "logical development" because Miyazawa failed to keep his promise to enact political reform legislation before the close of the current sitting, he said. But he asserted that opposition parties are also to blame, noting they had only been thinking about future elections, rather than about how to chart the future course of Japan's democracy.

It is still unclear when and how a possible political realignment in Japan might end. Morita said two scenarios—a bright one and a grim one—can be drawn up in talking about the fate of Japanese political parties. The former is one in which a new party bolts from the LDP and noncommunist opposition parties vie with the diminished LDP in their own efforts to pursue democracy, he said. In the latter case, however, the opposition is split over one issue after another, fails to adopt a united front against the LDP and eventually brings about no change in government, he noted.

Sone said Japan may fall into political chaos after the next poll, while Uchida said such chaos will continue for years to come—until a full-fledged political party that can shepherd Japan in the right direction is found after a few more general elections.

#### **Hata Plans New Political Party**

*OW1806142793 Tokyo KYODO in English 1415 GMT 18 Jun 93*

[Text] Tokyo, June 18 KYODO—Tsutomu Hata, head of a rebellious faction within the ruling party, said Friday he plans to create a new party. Hata made the remarks after Prime Minister Kiichi Miyazawa failed to survive an opposition no-confidence motion supported by the rebel faction and dissolved the House of Representatives.

The former finance minister told reporters the Liberal Democratic Party (LDP) will expel members of the faction. He said his fellow faction members made a tough choice in voting for the no-confidence motion.

"This is a watershed for Japanese politics," he said.

Hata said the faction members will make every effort to open the way for "vitalizing" Japanese politics for the 21st century.

Hata and his ally Ichiro Ozawa, former LDP secretary general, formed their group last December, splitting the then largest faction founded by former Prime Minister Noboru Takeshita and advocating political reform.

#### **Hata Interviewed 19 Jun**

*OW2106132293 Tokyo FNN Television Network in Japanese 2310 GMT 19 Jun 93*

[Editorial Report] Tokyo FNN Television Network in Japanese at 2310 GMT on 19 June carries during its weekly "News 2001" program a 16-minute interview with Tsutomu Hata, former finance minister and a representative of a reform group called "Reform Forum 21." The program is moderated by Yuji Kuroiwa and Kaori Matsuyama and is attended by its regular guests—freelance commentator Kenichi Takemura and Keio University Professor Yoshiaki Kobayashi—as well as by MAINICHI SHIMBUN Chief Editor Takao Iwami who is in a room at the Hotel Okura and is connected to the studio via a television relay.

Kuroiwa begins the interview by asking Hata how he felt when he voted for the opposition-submitted no-confidence motion against the Miyazawa cabinet. Hata replies that he "felt as if his heart were breaking," adding that it was a sad moment to vote against his own party.

Then the moderator asks Iwami what he thinks of the recent events regarding political reform and approval of the no-confidence motion. Iwami replies: "Frankly, I think a dawn has finally arrived for Japanese politics, although the sun is still below the horizon. I feel as if I were watching the morning glow." He welcomes the fact that the Liberal Democratic Party (LDP) is breaking up into several parties, stating that the party had become so big it was incapable of making decisions. As regards the upcoming general election



for the lower house, Iwami says it is going to be a battle between new and old political powers.

Hata is asked when he decided to vote for the no-confidence motion against the Miyazawa cabinet, to which he replies: "To my regret, the opposition parties boycotted the plenary session of the Diet. I decided to vote for the motion at the exact moment the opposition party boycotted the session." He also feels that senior LDP executives, including the secretary general and executive council chairman, did not cooperate with Miyazawa who truly wanted to bring about political reform during the Diet session and avoid any unnecessary confusion prior to the Tokyo summit scheduled to be held in July. At the same time, Hata says it is not right to delay political reform for the sake of the summit talks.

As regards his 18 June meeting with Miyazawa in a last-minute attempt to extend the Diet session, Hata says the LDP as a whole did nothing except kill the prime minister's resolve and his efforts.

As regards the formation of a new party, Hata states: "We will hold a general meeting on 23 June and will make our decision after listening to the opinions of other members." Takemura asks Hata if he will form a coalition with the Social Democratic Party of Japan. Hata merely says there are "about 170 or 180 lawmakers of different parties who are willing to iron out minor difference of opinion for the best common interest." [the program ends as Hata continues his comments]

#### **Hata Plan To Leave LDP 'Firmed Up'**

*OW1906053593 Tokyo NHK General Television Network in Japanese 0301 GMT 19 Jun 93*

[From the "NHK News" program]

[Text] So far, the Liberal Democratic Party [LDP] intends to shelve for the time being a plan to dismiss some of LDP members including those in the Hata faction who voted for opposition-submitted no-confidence motion against the Miyazawa Cabinet from the LDP membership. However, the Hata faction has firmed up a plan to leave the party to form a new party.

As for treatment of those who took concerted action with the opposition parties, the LDP executive has said that they must know that voting for a no-confidence motion violates the party's rules and that they ought to voluntarily take appropriate action if they are advocates of political reform. The LDP executive has decided not to dismiss from the LDP membership LDP members, including those in the Hata faction who took concerted action with the opposition, but will instead watch their spontaneous response.

However, as to the issue of whether the LDP should allow them to run on the LDP ticket in the lower house election, the LDP views that there is strong opposition to allowing them to do this as LDP members. In this way, the prevailing view holds that it is difficult for the LDP to recognize them as candidates approved by the party.

Meanwhile, within the LDP, because of the Hata faction's concerted action with the opposition, attention has been focused on the Hata faction's movements. Although the Hata faction plans to hold a general meeting on 23 June to discuss how to deal with the situation, senior members of the Hata faction have firmed up a plan to leave the LDP and form a new party.

#### **Faction Considers 100 Candidates**

*OW1906111293 Tokyo KYODO in English 1040 GMT 19 Jun 93*

[Text] Tokyo, June 19 KYODO—A renegade faction of Japan's ruling party is considering fielding about 100 candidates in the general election expected to be held July 18, faction sources said Saturday.

The Liberal Democratic Party (LDP) faction led by former Finance Minister Tsutomu Hata said Friday it plans to set up a new party.

Thirty-four of the 35 House of Representatives members from the faction voted Friday for an opposition-sponsored no-confidence motion against Prime Minister Kiichi Miyazawa's cabinet, leading to the passage of the measure in the lower house. Miyazawa consequently dissolved the chamber.

The faction was formed last December by Hata and his ally former LDP Secretary General Ichiro Ozawa by splitting the then largest faction founded by former Prime Minister Noboru Takeshita.

Faction officials said it plans to field candidates from among 20 other junior LDP faction members who also voted for the motion or abstained from voting.

The Hata group also plans to create a new independent parliamentary group within the House of Councillors with other upper house members from both the ruling and opposition parties, the sources said. The faction has eight members in the upper chamber.

Hata said in an interview with public Japan Broadcasting Corp. (NHK) that his group will decide to inaugurate a new political party at its general meeting Wednesday. He said his group will force the LDP to lose its majority in the lower house in the general election and hopes to form a grand coalition government aimed at achieving political reform.

The LDP has been in power since its founding in 1955.

Former Education Minister Kunio Hatoyama, who quit the LDP on Friday, said he wants to join a breakaway party being planned by the Hata faction.

Hatoyama seceded from the ruling party after the opposition motion against Miyazawa's cabinet passed 255-220 at a lower house plenary session. He abstained from voting.

Hatoyama, 43, has returned five times to the lower house from Tokyo's No. 8 constituency. His grandfather, Ichiro Hatoyama, was the first president of the LDP and thus prime minister of Japan.



Ten other legislators also left the LDP with an eye to creating their own new party Monday.

#### **Election Scheduled for 18 Jul**

*OW1906021993 Tokyo KYODO in English 0146 GMT 19 Jun 93*

[Text] Tokyo, June 19 KYODO—The government and the ruling Liberal Democratic Party (LDP) decided Saturday that the general election will be held on July 18 following the dissolution of the House of Representatives on Friday, officials said.

The campaign for the lower house election will start on July 4 just before the July 7-9 Tokyo summit of seven major industrialized nations, they said. Miyazawa will chair the Tokyo summit of the Group of Seven nations.

The cabinet will formally decide the schedule of the general election next week.

Political observers said the government and the LDP leadership apparently set the election before the first trial hearing for former LDP Vice President Shin Kanemaru on massive tax evasion charges slated on July 22.

#### **Watanabe Critical of LDP Moves**

*OW1906053493 Tokyo KYODO in English 0517 GMT 19 Jun 93*

[Text] Tokyo, June 19 KYODO—Former Foreign Minister Michio Watanabe on Saturday blamed moves by some former and present legislators of the ruling Liberal Democratic Party (LDP) of forming splinter political groups. "(Such moves) are dangerous because under the current system they could result in a turmoil by a proliferation of small parties like that in Italy," Watanabe told fellow members of the No. 3 LDP faction he heads.

Watanabe's remark comes after Prime Minister Kiichi Miyazawa dissolved the House of Representatives Friday for a snap general election in the wake of the passage of an opposition no-confidence motion against his cabinet.

Thirty-nine LDP lawmakers crossed the floor and voted with the opposition. Eleven members subsequently broke away from the LDP, while 10 of them said they would form a new party. Members of the No. 5 LDP faction led by former Finance Minister Tsutomu Hata also plan to secede from the LDP next Wednesday.

Earlier Saturday, the government and the ruling [party] decided to hold the general election on July 18.

Watanabe also criticized Miyazawa for his failure to achieve an oft-stated goal of passing political reform legislation. But he said the premier's ineptness in pushing for reform should not have led to the ouster of the cabinet.

The opposition-sponsored no-confidence motion against the Miyazawa cabinet passed with a vote of 255-220 with 21 abstentions at a lower house plenary session Friday evening. Watanabe's faction currently has 67 Diet members.

#### **Watanabe Criticizes Miyazawa**

*OW1906063493 Tokyo NHK General Television Network in Japanese 0302 GMT 19 Jun 93*

[From the "NHK News" program]

[Text] Speaking at an extraordinary general meeting of the Watanabe faction today, former Foreign Minister Watanabe criticized Prime Minister Miyazawa by saying that, as for Prime Minister Miyazawa's speeches and behavior, in some sense, there are some points they could not tolerate or accept.

[Begin Watanabe recording] As for Mr. Miyazawa's speeches and behavior, there are some points that we cannot tolerate. There were various problems. We were sometimes dissatisfied with his speeches and behavior. Sometimes Mr. Miyazawa went too far in his remarks, and such remarks made us doubt his eagerness on dealing with the issues. However, his behavior did not directly lead to the move to overthrow the cabinet before the Social Democratic Party of Japan [SDPJ] and Japan Democratic Socialist Party (DSP), in connection with the political reform issue. [end recording]

Mr. Watanabe went on say: If we want to elect someone else to the presidency of the LDP, there will be an opportunity to change the president in the presidential election held once every two years. We should continue to make efforts to maintain Japan's prosperity. Thus, he stressed his intention to make all-out efforts to win more seats in the general election, keeping in mind the presidential election scheduled for September.

Speaking at the same meeting, Former Prime Minister Nakasone said the coming election will serve an opportunity to establish a new structure for political group realignment, stressing it is necessary to appeal to the people on the LDP's position as a nucleus for liberalism.

#### **Kajiya Hopes Rebels Leave Party**

*OW1906115393 Tokyo KYODO in English 1119 GMT 19 Jun 93*

[Text] Tokyo, June 19 KYODO—The ruling Liberal Democratic Party (LDP) will not expel its legislators who helped an opposition no-confidence motion against the cabinet of Prime Minister Kiichi Miyazawa, a senior party official said Saturday. LDP Secretary General Seiroku Kajiya made the remark at a news conference one day after Miyazawa was forced to dissolve the House of Representatives on the heels of the passage of the motion against his cabinet.

Kajiya said the LDP, in unbroken power since 1955, hopes that those who supported the opposition motion will leave the party of their own accord. However, he said the LDP lawmakers who voted with the opposition will not be listed as the party's candidates for the July 18 general election.



The LDP politicians who abstained from voting at a lower house plenary session will also not be listed as party candidates but will be granted a party membership certificate, party officials said.

Thirty-nine LDP members, mostly from a mutinous LDP grouping, led by former Finance Minister Tsutomu Hata, crossed the floor and 16 abstained.

The defeat of the Miyazawa cabinet followed the premier's failure to keep a pledge of enacting political reform measures that sought to overhaul Japan's electoral system for the lower house, which is seen as the root cause of a skein of political scandals.

Prior to the lower house dissolution, 11 legislators seceded from the LDP, 10 of whom plan to form a new party Monday. The Hata faction is also planning to launch a breakaway party next Wednesday.

#### **Editorials: Opportunity for Change**

*OW1906015993 Tokyo KYODO in English 0124 GMT  
19 Jun 93*

[Text] Tokyo, June 19 KYODO—Major Japanese dailies said in their editorials Saturday that the general election to follow Friday's dissolution of the House of Representatives presents a good chance for thorough change of corrupt politics in Japan.

But four of the leading national dailies differed in their analysis of the situation, as reflected in the editorial titles.

"Now Is the Time to Part From One Party Monopoly of Power," the ASAHI SHIMBUN titled its editorial, while the MAINICHI SHIMBUN used the headline, "Political Reform Is in Your Hands."

The largest circulation YOMIURI SHIMBUN gave its editorial the title "Suicide-Bomb Dissolution Reflects Crisis of Politics," and the business daily NIHON KEIZAI SHIMBUN headlined its piece with, "We Welcome the Move to Restructure Politics."

The YOMIURI SHIMBUN editorial rapped Japan's premier, saying, "Japanese politics and Prime Minister Miyazawa revealed incapacity to the entire world. The prime minister should have taken responsibility (for crushing political reforms) with an en masse cabinet resignation rather than dissolution of the lower house. There is no reason for the dissolution worthy of listening to," the YOMIURI said.

A similar view of Miyazawa's responsibility was expressed in the economic daily NIHON KEIZAI SHIMBUN, which concluded that the dissolution symbolizes the nation's political crisis.

The ASAHI SHIMBUN called the move a "deadlock dissolution" following the standstill of Diet deliberations on political reform, and that the voice of the people demands political restructuring.

Meanwhile, the MAINICHI SHIMBUN urged that election campaigns be conducted in "honest poverty," and asked

that reformist groups within the ruling Liberal Democratic Party break away from the party.

The opposition should also present a new framework for restructuring politics, the daily said, arguing that "without political reform Japan would not have a role in the international community or in economic development."

The NIHON KEIZAI welcomed the fluid situation triggered by the dissolution of the lower house, but said its merit will only be seen in the long run.

"Unstable political situations mar economic and social activities. But in the long term, competition among political parties through changes of power will improve the quality of politics and will contribute to the happiness of the people."

The NIHON KEIZAI concluded by saying, "a vote in the coming general election will survive political reforms which had been buried on the political scene."

#### **JNP, LDP Group Agree on Party**

*OW2006023793 Tokyo KYODO in English 0220 GMT  
20 Jun 93*

[Text] Tokyo, June 20 KYODO—The opposition Japan New Party (JNP) and the multiparty political study group Sirius will form a joint new party after the July 18 House of Representatives elections, the YOMIURI SHIMBUN reported Sunday.

It will include dissidents of the governing Liberal Democratic Party (LDP) led by Masayoshi Takemura, who earlier announced plans to form a party together with his colleagues, the daily said, quoting unidentified sources. Most of the 10-member Takemura group stood solidly behind Prime Minister Kiichi Miyazawa on a no-confidence vote Friday. But they opted for leaving the LDP. Only one member of the group voted for the no-confidence motion, while eight members voted against it and one member abstained from voting.

The mass-circulation daily said JNP leader Morihiro Hosokawa, Sirius founder Satsuki Eda, who also heads the United Social Democratic Party (Shaminren), and Takemura agreed to join forces for fear that political reform efforts by small individual parties would end in failure.

The new party will distance itself from established political order and will not cooperate with the LDP, the Social Democratic Party [of Japan] (SDP), nor with a party expected to be set up Wednesday by the LDP's dissident Hata faction. Formation of the party has been put off until after the elections because there is too little time to get the new lineup in the public spotlight before campaigning starts early next month, the YOMIURI quoted the sources as saying.

#### **LDP Dropouts To Form 'Sakigake'**

*OW2006095193 Tokyo KYODO in English 0940 GMT  
20 Jun 93*

[Text] Tokyo, June 20 KYODO—Masayoshi Takemura's group of 10 conservative politicians who left the governing



Liberal Democratic Party last week will form a new political group on Monday [21 June] called Sakigake, meaning pioneers or heralds, group sources said Sunday.

Takemura will head the group while Yukio Hatoyama will serve as its secretary general, the sources said. The group will announce the formation of the Sakigake group at a news conference on Monday evening.

The 10 men and a separate LDP member, Kunio Hatoyama, quit the ruling conservative party on Friday after the House of Representatives voted to pass a no-confidence motion against the cabinet of Prime Minister Kiichi Miyazawa.

In the voting, eight of the 10 Takemura group members backed Miyazawa's government, one voted against and one member abstained from voting.

#### More on Sakigake Party Formation

*OW2106120393 Tokyo KYODO in English 1046 GMT  
21 Jun 93*

[Text] Tokyo, June 21 KYODO—A group of 10 former legislators of the ruling Liberal Democratic Party (LDP) launched a new political party Monday vowing to create a new political idea in Japan.

The formation of the "Sakigake" (literally harbinger) comes at a time when Japan is heading for the July 18 snap general election following the dissolution of the powerful House of Representatives last Friday. "I hope we can bravely make a fresh start toward a new world by laying the foundation of our basic policy lines and pursuing our objectives," party leader Masayoshi Takemura told a news conference.

Takemura and nine others bolted from the pro-business conservative LDP after Prime Minister Kiichi Miyazawa dissolved the lower house after an opposition-led no-confidence motion against him was adopted.

The nine other party members are Shoichi Ide, Takeshi Iwaya, Kenichiro Sato, Hiroyuki Sonoda, Hidemasa Tanaka, Kisaburo Tokai, Yukio Hatoyama, Asahiko Mihara and Susumu Yanase.

The new party's basic policy stance, read by Mihara, calls on Japan to make personnel contributions to the international community, as well as material and financial contributions.

It also says the party will seek to maintain the Self-Defense Forces and the Japan-U.S. Security Treaty so as to insure peace and security in the post-Cold War Asian region.

The party also proposes relocating Japan's capital outside of Tokyo.

The Sakigake announced that its political philosophy vows to respect the present constitution and reaffirms a resolve not to repeat a war of aggression but to contribute actively to world peace and prosperity.

The establishment of the new party comes two days before a mutinous LDP faction led by former Finance Minister Tsutomu Hata will form its own new party.

Eight of the 10 legislators actually voted in support of Miyazawa in last Friday's no-confidence motion in the lower house, with one voting against the premier and the other abstaining.

Thirty-four of the 35 lower house members of the Hata faction voted along with the opposition to help pass the no-confidence motion.

Takemura said the new party will open its doors to all who honor its basic policy stance and political philosophies.

"I really hope those who go along with our new political banner will join forces with us," Tanaka, also a member of the party.

Takemura, former Shiga governor, stopped short of stating which political party or parties the Sakigake hopes to ally with after the poll is over.

But he touched on his personal relationship with Morihiro Hosokawa, head of the fledgling Japan New Party (JNP), indicating his party could cooperate with the JNP during the two-week election campaign that starts July 4 and after the general election.

The passage of the no-confidence motion against Miyazawa's cabinet followed the premier's failure to live up to his oft-stated pledge to get political reform legislation on to the statute books.

Political reform centering on electoral changes and tighter curbs on political funding has been a key issue of concern in the wake of the 1988-1989 Recruit shares-for-favors scandal and the Tokyo Sagawa Kyubin money-and-mob scam.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), showed understanding of the formation of the new conservative party earlier Monday and of another planned for Wednesday.

Keidanren, the nation's biggest business lobby, donates about 13 billion yen to the LDP a year through a political organization.

Despite the LDP's split, the business group will continue to offer its political donations to the ruling party as Takemura's Sakigake and Hata's planned party have yet to take clear shape, Hiraiwa said. Keidanren will consider furnishing political donations to these forces once their political courses become clear after the coming general election, he added.

Hiraiwa also said his group will have to recognize a possible coalition government before a political system under which two conservative parties compete with each other is established.

"A political vacuum will dampen the sentiment of business leaders," he added. "I hope the government to be formed after the general election will be as stable as possible."



### **LDP's Mitsuzuka Urges Coalition**

*OW2006132393 Tokyo NHK General Television Network in Japanese 1003 GMT 20 Jun 93*

[From "News 7" program]

[Text] Hiroshi Mitsuzuka, Policy Research Council chairman of the Liberal Democratic Party [LDP], showed up in an interview program of a commercial television station today. In the program, he said: We need to seek harmony with other parties to avoid political and economic chaos. In particular, we will have to seek compromising points with the Hata faction and Mr. Takemura's group to form a coalition government.

Thus, he disclosed his plan to seek coalition with the Hata faction and an 11-men group which has already broken away from the LDP when the party loses its majority after the forthcoming elections.

### **Hata, Kato Debate LDP Split**

*OW2106055193*

[Editorial Report] Tokyo NHK General Television Network in Japanese at 0000 on GMT 20 June carries a live, two-hour discussion program entitled "No-Confidence, Dissolution, and Split of the Liberal Democratic Party [LDP]—Japanese Politics Now Called Into Question." The program's participants include Masao Kamei, chairman of the Private Committee for the Promotion of Political Reform; Nobuo Sasuga, chairman of Nippon Sheet Glass Co., Ltd.; Akira Yamagishi, chairman of the Japanese Trade Union Confederation (Rengo); Iwao Nakatani, professor at Hitotsubashi University; Michiko Shimamori, chief editor of the magazine "KOKOKU HIHYO" (ADVERTISEMENT REVIEW); and Jiro Yamaguchi, associate professor at Hokkaido University. Participating in the program from the political realm are acting LDP Secretary General Koichi Kato, and Tsutomu Hata, head of the LDP's Hata faction. The program is moderated by NHK special chief commentator Korehito Obama and NHK commentator Kazuo Okamura.

The program begins with a video report summarizing the background of the lower house's dissolution following the 18 June adoption of the opposition-submitted no-confidence motion. The report also touches on internal disputes within the LDP. Following the report, moderator Obama asks the participants to outline their respective views on the current situation.

Kamei expresses his disappointment about the overall failure to achieve political reform, while Rengo Chairman Yamagishi says Japan's parliamentary democracy is facing a fundamental crisis. The other participants—Nakatani, Shimamori, and Yamaguchi—state similar views, and all of them criticize the LDP. Most express the hope that the current situation will ultimately lead to a realignment of political parties. NHK commentator Okamoto also expresses disappointment about the LDP's failure to hammer out a compromise with the opposition.

Asked to comment on the participants' critical views concerning the LDP, acting LDP Secretary General Kato stresses: "I am of the opinion that, following the demise of the Soviet Union, Japan's political system also is following the international trend toward change."

Kato continues: "It is true that throughout the postwar period, the LDP engaged in political activity by utilizing extensive funds. Now, however, we need to correct this. Under the current situation, we are trying to cope with various issues facing us by uniting the LDP. Nevertheless, there is a false idea here—the idea of changing the electoral system to resolve other problems."

Kato adds: "Mr. Okamoto said he is disappointed that the LDP failed to reach a compromise, noting that the LDP should have reached a compromise by departing from its policies, and, therefore, it is responsible for the current situation. I have my doubts about this view. Now, as you see, every day the newspapers are saying, even though the electoral system has not changed, political realignment may still be possible. Although it is regrettable that political reform efforts have been scrapped, this may eventually lead to a regrouping of political parties—as Messrs. Kamei and Sasuga suggested earlier. Therefore, the regrouping of the political parties and the creation of a new political system can be achieved without attaching great importance to the electoral system. The current political situation proves this.

"Nevertheless, what disappoints me most is the fact that the lower house's dissolution was triggered by an unreasonable act. It was triggered by those LDP members who, in spite of their party membership, voted for the opposition's no-confidence motion. This is absurd. The actions taken by other LDP members, including Mr. Takemura, are more reasonable. Although they have left the LDP, they still voted against the motion of no-confidence in the LDP's president, thereby maintaining the position of protecting the LDP as members of the LDP. They said they left the LDP because of dissatisfaction with the LDP executive body's position. The impression I am left with from their move is more refreshing, more reasonable."

Kato goes on to stress that Japanese politics have entered a new era, and he adds he will continue to appeal for support for the LDP.

Asked to respond to Kato's remarks, faction leader Hata says: "Well, I do not understand what he means by absurd. We have undergone many hardships. I always stressed that I was willing to take decisive action. I want him to understand that these actions were unavoidable, even though they were indeed heart-rending."

Hata continues by reviewing the LDP's previous position on political reform, criticizing the LDP leadership for failing to keep its promise to achieve political reform. He adds: "It was the prime minister who asked the opposition to come up with a political reform bill in response to the LDP's proposal. He said he wanted to hold discussions in front of the people."

Hata says that, despite the opposition's series of concessions, "the LDP eventually returned to its original proposal



for a simple, single-seat constituency electoral system, and I have my doubts as to whether the LDP fulfilled its responsibility." He continues: "I wanted to work together with Prime Minister Miyazawa to achieve political reform. When I met him a few days ago, as well as when I talked to him on the phone and met him after that, I keenly felt the prime minister was truly ardent about achieving political reform, but I believe the people surrounding the prime minister failed to support him." Hata then reasserts his position that honest politics cannot be achieved without real political reform.

Kato responds by again criticizing the Hata faction for failing to follow the LDP's decision, stressing that the faction should have left the party before acting in concert with the opposition in adopting the no-confidence motion. He reiterates his views on political reform, again saying that political realignment can be achieved without correcting the electoral system.

In response to a question from Yamagishi, who asks whether he truly intended to carry out political reform, Kato stresses the LDP believes that the LDP-proposed small constituency system will lead to political realignment in the future, explaining major points of the LDP proposal.

Again asked to comment on Kato's earlier remarks noting that his faction should have left the party, Hata stresses: "I wonder why the LDP failed to carry out political reform in spite of the prime minister's eagerness. I have never blamed the prime minister alone. I know the party is not managed by the prime minister alone. But because the prime minister had a strong desire to achieve political reform, the LDP leadership should have helped him realize political reform."

In response, Kato questions why Hata faction members did not withdraw from the LDP before attending the House of Representatives session: "Mr. Hata, you must have known that your faction's actions in line with the opposition would lead to the adoption of the no-confidence motion and, in turn, the dissolution of the lower house in the face of the Tokyo summit. You have experience as a finance minister, and you have attended summits many times. You also know how important the upcoming summit is. Why did you take this action as a member of the LDP? You might claim this was your policy, but I want to ask you again: Why did you not leave the party before you took such an unreasonable action—an action independent from the LDP?"

Hata replies: "It would be ridiculous to try to answer your question concerning our withdrawal from the party. You mentioned the summit, however. Before the summit, you see, the LDP must come to grips with the Tokyo Metropolitan Assembly election. I have my doubts as to why the LDP failed to fulfill the people's trust amid this difficult situation. As finance minister, I accompanied the prime minister. At that time, when the summit was held last year, we already knew that this year's summit would be held in Tokyo. Therefore, why did the LDP fail to fulfill its promises?"

Noting that "the summit is a meeting of democratic nations," Hata adds: "If we continue to cheat the political system by using the G-7 summit as an excuse, the G-7 member-nations would have trouble regarding Japan as a democratic nation. Instead, I believe, the summit nations will understand the current political situation in Japan."

He adds: "Nevertheless, we will have to endorse those things that Prime Minister Miyazawa says and promises at the summit. This is what our nation has to do. Meanwhile, Japan's political system is in no way thrown into confusion."

Kato counters Hata by saying he does not think the G-7 nations will understand the current political situation in Japan.

Asked about his faction's future moves, including the possibility of forming a new party, Hata says he has no comment, for the time being, because "the faction's future actions, as well as its policy, will be decided on 23 June."

Moderator Okamura asks Kato whether the LDP will dismiss those members who voted for the no-confidence motion, and Kato says a decision will be made by the LDP's Ethics Committee.

Discussion shifts to the party's position on the upcoming general election. Kato stresses political reform involves other important issues in addition to the issue of reforming the electoral system. Citing U.S. President Clinton's current political position, Kato says: "There is the possibility that Mr. Clinton's weak political position in the United States will affect Japanese-U.S. relations. Therefore, we want to appeal for support for the LDP by drawing up policies that deal with the possibility of such a situation."

Moderator Obama then begins discussing public opinion, and his comments are interspersed with video footage of man-on-the-street interviews on the current political turmoil. Obama asks the program participants for their feelings on the situation. Kato explains the situation by discussing the structure of Japanese politics, including the decisionmaking process of the LDP, while Hata expresses his dissatisfaction with this decisionmaking process. Asked whether the LDP is ready to deal with a situation in which a coalition government may be established, Kato says the upcoming election will be very tough because of the Hata faction's possible withdrawal from the LDP, but he adds the party intends to strive to win a majority of seats.

Obama takes up the issue of the realignment of the political parties. Professors Nakatani and Yamaguchi, Rengo Chairman Yamagishi, and Nippon Sheet Glass Co. Chairman Sasuga state their personal views on the issue. All of them agree that political realignment is necessary. In reply, Kato states his views on the political course Japan has to take in the future, pointing out the weaknesses of the current political system. Hata stresses, "We have to create an opportunity in the Diet to discuss Japan's future course."

The program ends at 0200 GMT.



**Ministry Official: Weaker Yen After G-7 Summit**

*OW1806040493 Tokyo KYODO in English 0350 GMT  
18 Jun 93*

[Text] New York, June 17 KYODO—A senior official of Japan's Finance Ministry forecast Thursday the yen will return to adequate levels against the U.S. dollar after the July 7-9 Tokyo summit of the Group of Seven (G-7) industrialized countries. Tadao Chino, vice finance minister for international affairs, said the recent appreciation of the yen was "excessive" and has been caused largely by speculative moves. The Japanese currency will fall below current levels after the Tokyo summit, he said.

The currency markets will no longer be affected by remarks by officials of industrial countries, Chino said.

**Hayashi Comments on Economy, 'Uncertainty'**

*OW1806023393 Tokyo KYODO in English 0209 GMT  
18 Jun 93*

[Text] Tokyo, June 18 KYODO—Finance Minister Yoshiro Hayashi said Friday he is not sure that the Finance Ministry's first-quarter business survey released Thursday showing a slight improvement from the previous quarter really heralds an economic upswing. Hayashi, speaking at a regular press conference after a cabinet meeting, said he would wait for April-June data to judge the matter.

Automobile sales in the current quarter seem to be weak and so are the orders for machinery, he said. Also, the effects of the yen's appreciation against the dollar since February are expected to gradually influence business conditions, he said.

The ministry's quarterly survey found that pretax profit at Japanese corporations continued to decline in the first quarter from a year earlier but at a lesser rate than in the fourth quarter of 1992. A ministry official said Thursday that although there may be some weaker showing in the April-June period, it seems as if the business slowdown had hit bottom in the October-December quarter of 1992, and the basic trend is headed for recovery. Hayashi has said he expects the economy to start picking up in the latter half of the current fiscal year, which began April 1.

The finance minister also said political uncertainty in Japan seems to be dragging down stock prices and curbing the rise of the yen. Nevertheless, he said he will continue to closely watch developments in the currency markets, where speculative tendencies still linger.

Hayashi said the political uncertainty did not "look good" with Tokyo due to host the July 7-9 Group of Seven (G-7) summit but it would not affect "what has to be done" by Japan at the summit and other international meetings prior to that.

**Quadrilateral Trade Talks To Focus on Tariffs**

*OW1906090493 Tokyo KYODO in English 0848 GMT  
19 Jun 93*

[Text] Tokyo, June 19 KYODO—Tariff reductions will be the focus of discussions at the two-day ministerial trade

talks opening Wednesday in Tokyo among Japan, the United States, Canada and the European Community (EC), Japanese officials said Saturday.

The talks are intended to work out a broad agreement on market access for the Uruguay Round of multilateral trade talks being held under the auspices of the General Agreement on Tariffs and Trade (GATT), the officials said.

They said the talks will center on possible cuts in allegedly protectionist tariffs on distilled spirits by Japan, on textiles by the U.S. and on semiconductors by the EC.

The Japanese Government hopes to announce a specific agreement on the issue at the Tokyo summit of Group of Seven (G-7) industrial nations in early July and use it as a leverage to hammer out an overall agreement in the Uruguay Round within this year, the officials said.

There had been some progress in the past quadrilateral negotiations, especially regarding tariff cuts for paper and pulp, steel, chemicals and pharmaceuticals.

Japan has agreed to lift its duties on beer and to open its market for insurance and other financial sectors.

**G-7 Summit Possibilities, Problems Analyzed**

*OW1806161993 Tokyo KYODO in English 0731 GMT  
18 Jun 93*

["News Focus" by Kohei Murayama: "Successful Summit Means More Trade Pressure on Japan"]

[Text] Tokyo, June 18 KYODO—As the host of the annual Group of Seven (G-7) summit in Tokyo early next month, Prime Minister Kiichi Miyazawa has a golden opportunity to win credit in getting the stalled global trade talks moving again.

At the summit, Miyazawa is expected make pledges on opening Japan's markets. But the most disputed fields—particularly the farm trade issue—may be left for negotiations later. But with actual negotiations poised to focus on bilateral issues among the G-7 nations, other countries, especially in Asia, wonder if the big powers are really opting for world trade rules, particularly when the United States is pressing Japan to set import targets.

The Uruguay Round started in September 1986 under the auspices of the Geneva-based General Agreement on Tariffs and Trade (GATT), with more than 110 nations seeking stronger and broad world trade rules in 15 separate areas, including intellectual property, dispute settlement procedures, industrial products, services and farm trade.

In December 1991, GATT Director General Arthur Dunkel issued a proposal, called the Dunkel text, to serve as a framework to conclude the trade talks. Meanwhile, the so-called quadrilateral meeting of trade ministers—from Japan, the United States, Canada and the European Community (EC)—is working for an agreement on market access in the industrial goods and service areas.

The G-7 leaders are waiting with high hopes for the market-access package although uncertainty remains as the



quadrilateral ministers are keeping a tight lid on details, with working-level talks scheduled almost nonstop until their final talks in Tokyo from June 23 to 24.

"If some kind of agreement is reached at the quadrilateral talks, it will be declared loudly in a summit joint statement...to create a mood to move forward the Uruguay Round," said a senior official of Japan's Ministry of International Trade and Industry (MITI). "Miyazawa will call it a big achievement for the host nation," said the official, speaking on condition of anonymity.

Obviously, all the summit participants will be hoping for some tangible results, especially in the face of failure of the past three summits to deliver on pledges to conclude the Uruguay Round by the end of the year. The end of the Uruguay Round this year was confidently predicted in a joint statement of the annual council meeting of the 24-nation Organization for Economic Cooperation and Development (OECD) held in Paris from June 2 to 3 in parallel with the quadrilateral talks.

"The momentum shown in the quadrilateral meetings...and the collective determination expressed by OECD ministers demonstrated that it is realistic not only to hope but to expect that the Uruguay Round will conclude by the end of the year," the statement said.

Despite this confident forecast, heated bickering between Tokyo and Washington prevented the OECD ministers from including clear remarks on expanding domestic demand, apparently aimed at Japan and its closed market, and "managed trade," targeting the United States. And major players remained almost muted on the most-disputed farm issues—rice for Japan and oilseeds between the U.S. and Europe.

Japan has repeatedly rejected—refusing even to discuss—any calls for "tariffication without exception" as proposed in the Dunkel text to remove all nontariff trade barriers. Japan is taking shelter behind the lingering disputes over the U.S.-EC farm accord, strongly opposed by France, which led to blocking a conclusion of the Uruguay Round last year.

"It could be too late for Japan even if it takes an active stance because a lot of time is necessary to study and negotiate to get what it can under the current GATT rules," said Tamotsu Takase, a professor at Tokai University and a former official of the GATT Secretariat.

Toru Aizawa, senior officer for trade negotiations at MITI, said the rice issue cannot be excluded from the Uruguay Round, which he noted is a "single undertaking." But when asked about Japan's policy, he declined to comment due to the traditional "turf" reason, saying, "It's for the Ministry of Agriculture, Forestry and Fisheries."

A Farm Ministry official said, "Our policy remains unchanged" of keeping the rice market closed, adding that the ministry is not making any moves on negotiations under the GATT rules. "We are just bureaucrats, and policy-making rests in the hands of politicians," he said.

Without any global trade rules and monitoring systems, Takase said, smaller nations will suffer "selfish" demands from major powers in the post-Cold War age, with the Western countries seeing no need now to listen to smaller nations to prevent them turning to the communists.

Even Japan is spearheading efforts to including clear commitments in the Uruguay Round to use the GATT framework to settle trade disputes, apparently in face of unilateral retaliatory pressure from the U.S., he said. Such "selfish" demands could lead to a more complicated global order as regional arrangements proliferate, primarily in North America and Europe, Takase said. "Adjustments to global rules will be difficult after regional rules are established," he said.

Dunkel, who is stepping down as GATT chief, said recently in Seoul, "All of the old protectionist interests are still out there as well, waiting for their chance at a comeback and all too happy to borrow some respectable new clothes."

"If the world misses this chance we cannot be sure of another," he said, referring to the Tokyo summit and a conclusion to the Uruguay Round this year.

#### **Indonesia's Suharto 'Unlikely To Visit' Summit**

*OW2006015093 Tokyo KYODO in English 0135 GMT 20 Jun 93*

[Text] Tokyo, June 20 KYODO—Indonesian President Suharto is unlikely to visit Japan during the July 7-9 Tokyo economic summit because of discord among the Group of Seven economic powers, the ASAHI SHIMBUN reported Sunday. The ASAHI said Indonesia has expressed dissatisfaction with a proposal by Japan that Suharto have separate pre-summit bilateral meetings in Tokyo with Prime Minister Kiichi Miyazawa and U.S. President Bill Clinton. Japan also has offered to brief summit leaders on the results of the talks, the ASAHI said in a front-page article. Suharto had been pushing to visit Tokyo to explain the views of the Non-Aligned Movement and regional issues.

#### **G-7 Document To Contain Tighter Arms Register**

*OW2006063793 Tokyo KYODO in English 0622 GMT 20 Jun 93*

[Text] Tokyo, June 20 KYODO—A political declaration to be issued during the Tokyo economic summit in July will call for strengthening the Conventional Arms Register, Japanese Government sources said Sunday. The sources said the Group of Seven (G-7) major industrialized countries will seek inclusion in the United Nations-supervised Register of Domestic Procurements and Possession of Conventional Arms. The current register, implemented earlier this year, covers only imports and exports of conventional weapons, and 61 countries have reported their transactions involving tanks, fighters and other arms.

#### **G-7 Reportedly Agrees To Cut Russian Fund**

*OW2106011293 Tokyo KYODO in English 0052 GMT 21 Jun 93*

[Text] Tokyo, June 21 KYODO—The Group of Seven (G-7) industrial nations have agreed to set up a fund to help



Russia privatize its state-run enterprises, but it was scaled back to 500 million dollars from an originally proposed 4 billion dollars, Japanese Government sources said Monday.

G-7 deputy finance ministers agreed to the fund in a meeting in New York late last week. The fund is expected to be available within this year, the sources said, adding that Japan will contribute up to 100 million dollars. G-7 nations will formally approve the plan at their Tokyo summit in early July, and will include it in their economic declaration at the end of the meeting, the sources said.

At the summit the G-7 will also decide to set up a representative office in Moscow to implement and manage the fund. The sources said Japan will contribute the 100 million dollars out of its aid for Russia, amounting to 1.82 billion dollars, that it pledged in a G-7 meeting in April. The privatization fund was originally proposed by the United States in the April meeting, and it amounted to 4 billion dollars, half coming from international organizations and half from G-7 countries.

Some European nations, however, were reluctant to make a large contribution, citing fiscal problems of their own. The U.S. and Japan therefore agreed to be the main individual country contributors, substantially lowering the fund's scale. The U.S. has already announced its contribution and international financial organizations such as the World Bank will soon voice cooperation, the sources added.

They said the size of the fund can be increased later because the G-7 deputy meeting last week agreed that the program be implemented in periods spanning three to five years.

As for Japan's part, the sources said, the government first considered a new allocation from reserves at the Foreign Ministry. But because of the northern islands territorial dispute with Moscow, Japan decided to use part of its already announced aid for Russia, the sources said.

#### **Real GNP Reportedly Increased Jan-Mar**

*OW1806180993 Tokyo KYODO in English 0859 GMT  
18 Jun 93*

[Text] Tokyo, June 18 KYODO—The Japanese economy grew a real 0.6 percent in the January-March quarter from the preceding three months, or annualized 2.3 percent, the government announced Friday [18 June].

For fiscal 1992 ended in March 31 the economy expanded 0.8 percent in real terms from the preceding year, short of the official target of 1.6 percent, it said. The gross national product (GNP), the total output of goods and services, was boosted by an increase in public sector demand and moderate improvement in private sector demand. The nation's GNP recorded zero growth in the October-December quarter, and expanded 3.4 percent in fiscal 1991.

Shunji Fukinbara, vice minister of the Economic Planning Agency, said Friday's figures endorse the agency's stance that the economy is on the road to recovery. "Generally speaking, I see little chances that this trend will head

Backwards," Fukinbara said, discounting worries over a double dip unless there is even more rapid appreciation of the yen against the dollar.

Fukinbara said the improvement is even more evident, looking at the 0.7 percent growth of gross domestic product (GDP), GNP minus net income from abroad, in the January-March period after three consecutive periods of quarterly setbacks. He said the effects of the government's 10.7 trillion yen fiscal pump-priming package announced last August finally began to appear in the last quarter of fiscal 1992. External demand contributed minus 0.1 percentage point to GNP and internal demand 0.7 point for the latest reporting quarter.

The vice minister said exports apparently drove the economy as the export value grew largely due to a stronger yen against the dollar and shipments of higher value-added products. On a quantitative basis, exports virtually showed no growth, he said.

Referring to the government's failure to accurately predict fiscal 1992 economic growth, Fukinbara cited the worse-than-expected effects of asset deflation, depressed consumption and corporate capital vestment. He also said the effects of the 10.7 trillion yen program did not appear in the October-December quarter due to the delay in passing a supplementary budget for fiscal 1992.

Under private sector demand, personal consumption grew 1.2 percent in the quarter, recovering from a 0.6 percent decline in the preceding period, while corporate capital spending also improved by dipping 0.2 percent, compared with a preceding 3.6 percent drop.

Fukinbara predicted the government's 3.3 percent growth target for fiscal 1993, that began April 1, is "achievable," as the 13.2 trillion yen stimulation program introduced in April begins to show its effects and private sector demand recuperates. However, he said the yen's rapid appreciation is a worrisome factor, citing an agency estimate that a 10 percent climb in the value of the Japanese currency could drive down GNP growth by 0.48 point. The yen's strengthening since February does not seem to have been reflected in the January-March quarter economic data, Fukinbara said.

Yozo Nishimura, economist at the Bank of Tokyo, said the economy seems to be hitting bottom, clearly supported by the government's stimulation programs. Agency officials said an increase in plant and equipment investment at electric power companies and the construction industry contributed to improving the capital spending data.

But Nishimura was skeptical whether the recovery would be as strong as the government hopes due to an only mild revival in private-sector demand. He predicted consumer spending will rise only 2 percent in the current fiscal year. Corporate capital spending will probably not recover until later in the year, Nishimura said.



Public spending could partly stimulate private-sector demand directly, but there is also the need for private-sector demand to show revival under its own power for a substantial economic recovery, he said.

The ratio of the current account surplus to nominal GNP stood at 3.7 percent in the January-March quarter.

## North Korea

### Reportage on End of COMINAC Meetings

#### Conference Closes 18 Jun

*SK1806112893 Pyongyang KCNA in English  
1047 GMT 18 Jun 93*

[Text] Pyongyang, June 18 (KCNA)—The Fourth Conference of Ministers of Information of Non-Aligned Countries [COMINAC] which opened here on June 15 closed today, successfully concluding its four-day work.

The great leader Comrade Kim Il-song, president of the Democratic People's Republic of Korea, attended the opening session and delivered the historical speech "Non-aligned Information Must Contribute to the People's Cause of Independence."

Sincerely discussed at the conference attended by delegations and delegates from 66 non-aligned countries and international organizations were practical matters arising in expanding and strengthening cooperation and solidarity in the field of information, putting an end to the imperialists' monopoly and arbitrary practices and establishing an equitable international information and communication order.

The plenary meeting was resumed before the closing session.

39 countries were elected new member nations of the Inter-Governmental Council for Information of Non-Aligned Countries (IGC).

A declaration of the Pyongyang conference was adopted.

The plenary meeting decided to hold COMINAC V and the next IGC meeting in Nigeria.

A letter of thanks to the great leader President Kim Il-song was adopted at the conference in the name of the participants in COMINAC IV.

A report was delivered by Rapporteur General K.P. Singh Deo, Indian minister of information and broadcasting, at the plenary meeting.

The conference entered the closing session after successfully concluding the discussion of the agenda.

Regional representatives, heads of the Jordanian, Nigerian, Cuban and Cyprian delegations, made speeches in congratulation of the success of the conference.

The speakers extended thanks to the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il who made a great contribution to the success of the conference.

They stressed that the non-aligned countries should share the achievements and experience gained in information services, strengthen cooperation, friendship and solidarity and make concerted efforts to establish a new equitable international information order in the interest of developing countries.

Kim Ki-yong, chairman of the Information Committee of the Democratic People's Republic of Korea and chairman of COMINAC IV, made a closing address.

#### Closing Speech by Committee Chairman

*SK1906093993 Pyongyang Korean Central  
Broadcasting Network in Korean 1300 GMT 18 Jun 93*

[Report on the closing speech by DPRK Information Committee Chairman Kim Ki-yong, chairman of the Fourth Conference of Ministers of Information of Nonaligned Countries, at the closing session of the Fourth Conference of Ministers of Information of Nonaligned Countries held at the People's Palace of Culture on 18 June]

[Text] DPRK Information Committee Chairman Kim Ki-yong, chairman of the Fourth Conference of Ministers of Information of Nonaligned Countries, delivered a closing speech at the conference.

He said that the conference, which had opened with the great attention of the people of the nonaligned countries, the progressive peoples of the world, and the news media, would close with great successes. He went on to say:

[Begin Kim Ki-yong recording] The Conference of Ministers of Information of Nonaligned Countries was an international conference held at a historic time when the Non-aligned Movement had entered a new phase. This conference has contributed to enhancing the roles of the nonaligned countries and developing countries in public information activities, strengthen the Nonaligned Movement, and achieve independence in the entire world.

The conference has also demonstrated the firm aspirations and will of the nonaligned countries to develop public information activities under the anti-imperialist banner of independence and antiwar banner of peace, strengthen cooperation and solidarity in the public information field, and establish a fair and equal international order in public information.

The great leader Comrade Kim Il-song, DPRK president, personally attended the opening session and delivered a historic speech that will be a programmatic guideline in public information activities in the nonaligned countries. And, the respected and beloved leader and the dear leader Comrade Kim Chong-il expressed deep interest in and extended considerations to the Pyongyang Conference of Ministers of Information. This is the expression of their trust for all of us who attended the conference and a privilege to all of us.



It is my honor to again extend warm thanks, on behalf of the participants in the conference, to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, who extended great considerations to the conference of ministers of information. [applause]

Delegates! At the conference, we discussed the achievements and experiences in implementing the resolutions and recommendations of the Third Conference of Ministers of Information of Nonaligned Countries and sincerely discussed issues concerning public information activities. As mentioned in the speeches, I think that the achievements and experiences in the work of improving each country's ability for public information, the work of the Association of News Agencies of Nonaligned Countries, that of broadcasting organizations of nonaligned countries, and that of [words indistinct] news agencies are very beneficial and encouraging.

The conference of ministers of information adopted the Declaration of the Pyongyang Conference of Ministers of Information of Nonaligned Countries as a result of the sincere efforts by various delegates.

The documents on which we agreed will give new vigor to the work of promoting South-South cooperation among the nonaligned countries in the public information field and vigorously stimulate each country's public information activities.

Today, the public information agencies of our nonaligned countries are assigned to put into practice what was discussed in the Pyongyang conference.

[Kim Ki-yong recording continues] Positively contributing to the people's just causes of independence, peace, and social progress is the basic mission of nonaligned public information.

The nonaligned countries must fulfill the mission and role of nonaligned public information for the era by assuming the anti-imperialist stand of independence and thoroughly implementing the principle of justice.

Each country must maintain independence, closely cooperate with one another based on the collective spirit of self-reliance, the principle of equality and reciprocity, and the principle of filling one another's need, expand and strengthen means of public information, train public information officials, and endlessly develop the public information work. It must also put an end to the imperialist ruling forces' monopoly and tyranny in the public information field and establish a fair new international public information order.

We will also in the future abide by the principles and ideals of the Nonaligned Movement and make every effort to sincerely implement the resolutions while joining hands with you on the road toward independence, peace, and friendship.

We firmly believe that as they made clear in the conference, the nonaligned countries and developing countries will be united, closely cooperate among themselves, and

strengthen solidarity among themselves to excellently implement the declaration and resolutions of the conference.

While upholding [uroromosigo] the great leader Comrade Kim Il-song and being single-mindedly united around the dear leader Comrade Kim Chong-il, our people are carrying out the cause of defending and further developing the popular masses-centered socialism of our own style and hastening the country's independent, peaceful reunification based on the 10-point program of great unity of the entire nation for the fatherland's reunification. Our people will remember the delegates of various countries who extended support to and solidarity with our just cause and appreciate it.

Believing that you, delegates to the Conference of Ministers of Information of Nonaligned Countries, will bring about new achievements in your public information activities and greatly contribute to improving the effectiveness of public information activities of nonaligned countries, strengthening and developing the Nonaligned Movement, and achieving independence in the entire world, I declare the closing the Fourth Conference of Ministers of Information of Nonaligned Countries. [applause] [end recording]

#### **Delegates Attend Banquet**

*SK1906051193 Pyongyang KCNA in English*  
0450 GMT 19 Jun 93

[Text] Pyongyang, June 19 (KCNA)—The Government of the Democratic People's Republic of Korea arranged a banquet at the Mokran House on June 18 for the participants in the Fourth Conference of the Ministers of Information of Non-Aligned Countries (COMINAC).

Invited there were delegations and delegates of different countries and delegates of international organisations to the COMINAC IV.

Present were Kim Ki-yong, chairman of the Information Committee of the DPRK and chairman of the COMINAC IV, Song Won-ho, vice-minister of foreign affairs, and officials concerned.

A speech was made at the banquet.

#### **Delegates Send Message to Kim Il-song**

*SK1906062793 Pyongyang KCNA in English*  
0600 GMT 19 Jun 93

[Text] Pyongyang, June 19 (KCNA)—The great leader President Kim Il-song received a message of appreciation from the participants in the Fourth Conference of the Ministers of Information of Non-Aligned Countries (COMINAC) held in Pyongyang.

The message says:

"We recall the inspiring speech you made at the opening of the conference which set the tone for our deliberations.



"We were guided by the incisive analysis you made of the current global imbalance in communications and information flow, the urgency of the need to adopt effective strategies to remedy the situation and for COMINAC to be action-oriented.

"It is our collective view that the conference declaration reflects the urgency with which you charged us to go about our deliberations.

"Indeed, it is historic that Pyongyang should be the venue of this important declaration which, while giving birth to a new era, has validated the principles and objectives of the Nonaligned Movement."

The message says that the declaration is therefore a tribute to the contribution and years of devoted service, which President Kim Il-song has given to the movement.

Stating that they had opportunities to share the rich cultural life of the Korean people, the message says:

"It is truly a vivid testimony to your inspiring leadership and the indomitable spirit of your people.

"We take this opportunity to express our solidarity with the Korean people in their efforts to defend their national sovereignty and independence while working towards the peaceful reunification of the country.

"Once again, we are extremely grateful to you, the great leader of the Korean people, President Kim Il-song for your invaluable contribution to the success of COMINAC IV and for placing your country at the service of the Non-aligned Movement."

#### **Ministers Adopt Declaration**

*SK1906071493 Pyongyang KCNA in English  
0524 GMT 19 Jun 93*

[Text] Pyongyang, June 19 (KCNA)—The declaration of the Pyongyang conference of ministers of information was adopted at the Fourth Conference of Ministers of Information of Non-Aligned Countries (COMINAC IV) held here from June 15 to 18.

According to the declaration, the ministers of information of non-aligned countries met to review the implementation of the decisions adopted at the tenth conference of heads of state or government of the non-aligned countries, held in Jakarta, Indonesia, in September 1992, and at the third conference of ministers of information, held in Havana, Cuba, in September 1990, as well as to map out new strategies for future activities.

In "Current Situation in the Field of Information and Communication", the declaration says:

The ministers examined the current situation in the field of international information and communication and its influence on the non-aligned and other developing countries and stressed the urgent need for expansion of the information and communication networks in the developing countries.

The ministers expressed concern over the fact that the information disseminated by mass media of developed countries ignore the interests of and distort the events in the non-aligned and developing countries, and called for the removal of inequalities inherent in the information and communication system.

The ministers agreed that the current situation in the field of information and communication required further reform through constructive dialogue with the developed countries in order to create mutual benefits for both developed and developing countries.

The ministers reaffirmed, in view of the need to reverse the current tendencies, the validity of the tenets of the new world information and communication order as well as collective self-reliance in this field.

In "Establishment of the New World Information and Communication Order", the declaration says:

The ministers stressed the urgent need to establish the new world information and communication order in a more effective way.

The ministers pointed out that the establishment of independent information policy is an ingredient of the information and communication of the developing countries.

The ministers reiterated the need to avoid the improper use of the mass media, especially books, magazines, films and recorded tapes/disks, as well as radio and television, for the purpose to influence the ideological convictions and the cultural and religious values of peoples all over the world.

The ministers emphasized that South-South co-operation in this field, as evidenced by the activities of the Non-aligned News Agencies Pool (NANAP) and the Broadcasting Organisations of Nonaligned Countries (BONAC), gives impetus to the process of establishing the new world information and communication order based on the common desires and interests of the developing countries.

The ministers stressed the need for expansion and strengthening of the network of UN information centres in the developing countries.

The ministers expressed concern at the lack of satisfactory response from the industrialized countries to UNESCO's appeal for additional funds for communications development in the developing countries. The ministers appealed for early and adequate response from all industrialized countries.

The ministers stressed the need to expand the network of UN information centres which plays an important role in facilitating the establishment of the new world information and communication order, providing links between the UN and the press, non-governmental organisations and education centres in the developing countries.

The ministers appreciated the importance of the role of UNESCO.

The ministers took into account the importance of developing telecommunications for the flow of information and



underscored the necessity to speed up preparations for the third session of WARC [World Administrative Radio Conference].

The ministers called for joint efforts to revise the existing rules to be more equitable in the interest of developing countries, to reduce communication tariffs imposed by transnational corporations that monopolize information media and to relax all other restrictive measures.

In "South-South Co-operation in the Field of Information and Communication", the declaration says:

The ministers reaffirmed their commitment to co-operation in the field of information and communication based on the principle of collective self-reliance.

The ministers called on the non-aligned and other developing countries to co-operate among themselves in the efforts to increase the flow of information and to improve its quality. They stressed the need for the mass media of non-aligned countries and other developing countries to seek new areas of exchange and co-operation and news coverage, making them more effective, and closely co-operate in news service, radio and television programmes and realisation of a diversified and rapid flow of information.

The ministers recommended the setting up of new international information centres in different continents to disseminate information on the realities prevailing in the non-aligned and other developing countries.

The ministers called on the non-aligned and other developing countries to continue to seek ways and means to significantly increase the flow of information among themselves and to actively initiate forms of bilateral and multilateral co-operation in this field. In this regard, they expressed the hope that the NANAP redistribution centres would boost their effectiveness and that member news agencies would make active contributions to them.

The ministers called on the member countries to build up their own information media and independent national information infrastructure and, on this basis, to join the efforts to form a non-aligned information network and information pool.

The ministers agreed that measures should be taken to jointly train technical and management personnel in telecommunications and information at both regional and global levels among the non-aligned countries.

In "Nonaligned News Agencies Pool", it says:

The ministers acknowledged the pioneering role of the Nonaligned News Agencies Pool (NANAP) in the field of information exchange, as an honest and devoted purveyor of the principles and objectives of the Nonaligned Movement.

The ministers, conscious of the direct impact of news agencies' staff training and re-training on the quality, quantity, variety and reliability of the information materials they produce, expressed their full support of NANAP's

principled decision to work out and implement training programmes for the upgrading of the professional and technical knowledge of the employees of the non-aligned news agencies. Furthermore, the ministers, in view of the lack of necessary financial and material resources at the disposal of NANAP, and taking into account the financial constraints of the majority of the non-aligned news agencies, decided to consider setting up a special fund co-sponsored by the national governments of the non-aligned countries, for the purpose of providing the financial assistance required for NANAP's training programmes.

The ministers expressed their full support for the demand of NANAP for the free-of-charge supply of a bidirectional satellite line and a telephone circuit to each of the NANAP participant news agencies by the communication authorities of their respective national governments for the purpose of enabling them to hook-up with the nearest redistribution centre of NANAP's communications network.

The ministers stressed the need for NANAP to maintain close links with regional communication bodies at the UN system.

In "Broadcasting Organisations of the Non-aligned Countries (BONAC)", the declaration says:

The ministers stressed the need to strengthen co-operation among the non-aligned countries and called for re-activating BONAC.

The ministers recognized the importance of co-operation among the non-aligned countries in radio and television programmes, and called on the member nations to make active contributions to increasing the effectiveness of BONAC's programme bank.

The ministers recognised the importance of promoting mutual co-operation in the field of film production and urged the prompt establishment of a non-aligned films pool.

The ministers urged that the fourth BONAC general conference be convened as early as possible, in order to further promote the activities of BONAC.

In "Long-Term Projection on the Use and Application of Modern Technology by Mass Media in Non-aligned Countries," the declaration says:

The ministers appreciated the long-term projection on the use and application of modern technologies by mass media in non-aligned countries, and urged to take constructive steps towards its implementation.

The ministers recognized the important role played by the UNDP, UNESCO and the UN Department of Public Information in introducing modern technologies into mass media and called for strengthening relations with these bodies.

The ministers welcomed the offer made by Indonesia to host the working group meeting on the long-term projection on the use and application of modern technology by the



mass media in non-aligned countries in Jakarta by the end of 1993, before the next IGC [Inter-Governmental Council] meeting.

In "International Campaign for Decolonization", the declaration says:

The ministers called for the widespread distribution of information in an effort to erase vestiges of colonialism from all spheres of politics, economy, culture and social life, in order to consolidate the national independence and attain progress and prosperity.

In "Information on Major International Campaigns", the declaration says:

The ministers stressed the fact that a free and independent mass media reflecting the interests of all sections of society is an essential component in the implementation of the free and balanced flow of information and in line with the realisation of democratic principles.

The ministers called for an effective co-ordination on the dissemination of information on efforts to cease activities by foreign forces to encroach upon the sovereignty and security of any member country of the Nonaligned Movement [NAM].

The ministers called upon member states of the Nonaligned Movement to observe the principles of good neighborliness, and to prevent the use of their territories, government bodies and mass media facilities by individuals or groups bent on doing harm to other member states. They also urged all states to scrupulously respect the non-interference principle in the internal affairs between them and to refrain from organising, instigating, associating or participating in terrorist acts, using other countries' territories and facilities, including facilities in the field of information and communications, to threaten the security and integrity of other countries.

The ministers called for wide dissemination of information to encourage the efforts and co-operation of the non-aligned and other developing countries for South-South co-operation on the principle of collective self-reliance.

The ministers expressed concern over the increasing trend to make use of informal non-transparent negotiating mechanisms in the United Nations, and urged the mass media in the non-aligned countries to contribute positively to enhancing the democratisation and transparency in the decision-making process in the UN system.

The ministers agreed that human rights should not be used as a means of political pressure upon non-aligned countries, and they underscored the need to co-ordinate information aimed at putting an end to defamatory campaigns against any NAM member over human rights.

The ministers expressed their concern over the accelerated deterioration of the world environment, mainly due to the indiscriminate exploitation of natural resources and the dumping of not only hazardous wastes and toxic chemicals, but also of nuclear wastes, and they called for widespread

dissemination of information by all countries with a view to encouraging environmental protection.

### Conference Termed Successful

SK2106062693 *Pyongyang KCNA in English*  
0520 GMT 21 Jun 93

["Papers Hail Successes of Pyongyang Information Ministers Conference"—KCNA headline]

[Text] Pyongyang, June 21 (KCNA)—The Korean people rejoice at and warmly hail the gratifying results of the Fourth Conference of the Ministers of Information of Non-aligned Countries (COMINAC), declares NODONG SINMUN today.

In an editorial titled "Let the Non-aligned Countries Develop Exchange and Cooperation in Information Services", the paper says:

The COMINAC IV adopted "Non-aligned Information Services Must Contribute to the People's Cause of Independence", the speech of the great leader Comrade Kim Il-song at the opening session of the conference, as its official document.

It also adopted the declaration of the Pyongyang information ministers conference reflecting the will and aspiration of progressive peoples and information officials of the world including the peoples of the non-aligned countries.

The editorial quotes Comrade Kim Il-song as saying:

"The basic mission of non-aligned public information services is to make an active contribution to the people's just cause of independence, peace and social progress. Non-aligned information services must be the genuine mouthpiece of the progressive countries and peoples who champion independence, and must take the lead in encouraging the people to carry out the cause of independence. They must also become the fair judges of history that defend justice and condemn injustice."

The editorial further says:

An important success of the Pyongyang conference is that it clearly indicated the stand, principle and tasks to be pursued by the non-aligned countries in information services.

The information agencies of the non-aligned countries must fully expose with their sharp pens the aggressive and predatory nature of imperialism and its neo-colonialist methods and must resolutely oppose the infiltration of reactionary bourgeois idea and culture.

The way of thoroughly smashing the reactionary information offensive of the imperialists by means of progressive information which was advanced at the conference is a great contribution to the strengthening and development of the non-aligned movement and to the cause of making the whole world independent.

In order to develop national information and lift up louder voices of justice of the progressive peoples of the world, the



non-aligned countries must strengthen international exchange and cooperation in information services.

That the conference took a practical measure to successfully conduct South-South cooperation in information services is of great importance in rejuvenating and strengthening the non-aligned movement.

The Pyongyang information ministers conference worked out an important strategy to establish a new international information order responsive to the situation after the end of the cold war.

It adopted practical measures to set up new international information centres in certain regions of the continents, enhance the function and role of international information agencies including the non-aligned news agencies pool which are already active and further strengthening the system of international cooperation in information services. This is a great contribution to the establishment of a new international information order.

The Pyongyang conference showed that if all the non-aligned countries pool their wisdom and strength on the principle of solidarity and cooperation they could further activate the non-aligned movement and play a leading role in building a new independent world.

We will make every possible effort to develop non-aligned information in line with the orientation discussed and indicated at the conference and faithfully our obligations and duties.

#### **U.S. Stages Air Exercises Against North 17 Jun**

*SK1906050193 Pyongyang KCNA in English*  
0442 GMT 19 Jun 93

[Text] Pyongyang, June 19 (KCNA)—U.S. imperialist aggression forces staged a bombing exercise against the North in the sky above Yongwol, South Korea, on June 17 with the mobilization of scores of Japan- and Pacific-based fighter-bombers, pursuit-assault planes and VTOL assault planes, according to military sources.

On the same day, a Japan-based anti-submarine plane flew above the East and West Seas of Korea for reconnaissance purposes, and a U-2 high-altitude strategic reconnaissance plane committed electronic reconnaissance on targets in the depths and wide areas of the northern half of Korea, making shuttle flights along the military demarcation line between the east and the west.

#### **Deputy Minister Says Enmity With U.S. 'Ended'**

*AU2106094393 Vienna DIE PRESSE in German*  
21 Jun 93 p 5

[Report signed "g.b.": "Doubts About North Korea's Nuclear Policy"]

[Excerpt] Vienna—DPRK Vice Foreign Minister Kan Sok-yu has described his talks with the United States on the nuclear dispute as "extremely positive." Kan euphorically stated in Vienna that the 40-year enmity between the two

countries is now ended, and a basis has been created for a definite solution to the nuclear issue.

However, observers assess North Korea's "change of course"—Pyongyang rescinded its planned withdrawal from the Nuclear Nonproliferation Treaty several days ago—with skepticism. They say that the withdrawal from the Nuclear Nonproliferation Treaty has only been suspended; North Korea has not yet shown genuine cooperation.

For months the DPRK has been under the massive suspicion of producing an atom bomb. Several weeks ago, Pyongyang rejected the demands of the Vienna International Atomic Energy Agency to carry out inspections of its nuclear reactors, and announced its withdrawal from the Nonproliferation Treaty. Even though the agency officially welcomed the DPRK's recent move on this issue, experts of the agency remain skeptical on the real intentions of the Kim Il-song government. [passage omitted]

#### **KCNA on ROK Defense Minister's Remarks on North**

*SK1906050893 Pyongyang KCNA in English*  
0447 GMT 19 Jun 93

["Drop Bad Habit of Taking Issue With Others"—KCNA headline]

[Text] Pyongyang, June 19 (KCNA)—South Korean "Defence Minister" Kwon Yong-hae reportedly told "an all Army commanders meeting" on June 16 that the North "is heightening tensions through preparations of a large-scale combat training". He blared that "a perfect posture of military preparedness should be established" to cope with North's "threat".

This is another malicious act of groundlessly taking issue with the DPRK.

His allegation that the North is increasing tensions on the Korean peninsula is a totally unfounded fabrication and a whopping lie that cannot fool anyone.

He sought a sinister political aim in letting out the brigandish argument reversing black and white.

This was a despicable act to put the brake on the progress of DPRK-U.S. relations, displeased with the publication of the DPRK-U.S. joint statement. It was a crafty ruse to bring international pressure and "sanctions" against the DPRK once more by misleading public opinion. It was a foolish attempt to justify their reckless policy of showdown of strength.

#### **Kim Yong-nam Urges Stronger Ties With Iran**

*LD1806165393 Tehran IRNA in English 1539 GMT*  
18 Jun 93

[Text] Pyongyang, June 18, IRNA—A senior official of the Democratic People's Republic of Korea (DPRK) has called for further strengthening of Tehran-Pyongyang relations to serve as a bulwark against domineering powers.



Foreign Minister of DPRK, Kim Yong-nam made the appeal in a meeting with visiting Iranian Minister of Culture and Islamic Guidance, 'Ali Larijani who is in the North Korean capital to attend the fourth Conference of Ministers of Information of Non-aligned Countries (COMINAC).

Kim said that active and effective participation of the Iranian delegation at COMINAC was a sign of the Islamic Republic's resolve to preserve its independence against domineering powers.

Larijani in return laid stress on common points in the two countries' stands towards various international issues and described as "excellent" the degree of cooperation between Tehran and Pyongyang.

He hailed Pyongyang's resistance against American pressures and said Islamic Iran's strong and telling presence at the Pyongyang session is indicative of its solidarity with the Korean nation and Government in their confrontation against domineering powers, led by the U.S.

### **Thai Crown Prince Continues Official Visit**

#### **Meets With Kim Il-song**

*SK1906104093 Pyongyang KCNA in English  
1020 GMT 19 Jun 93*

[Text] Pyongyang, June 19 (KCNA)—The great leader President Kim Il-song on June 19 received His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand on an official goodwill visit to Korea.

Present there were Minister of Agriculture and Cooperatives Niphon Promphan and other members of the entourage of the crown prince and Thai Ambassador to Korea Montri Chalachan.

Vice President Yi Chong-ok, Vice Premier and Foreign Minister Kim Yong-nam, Vice Premier Chang Chol, Vice Marshal of the Korean People's Army Kim Kwang-chin and DPRK Ambassador to Thailand Yi To-sop were on hand.

President Kim Il-song conversed with his royal highness crown prince in a cordial and friendly atmosphere.

The crown prince presented a gift to President Kim Il-song.

#### **Kim Il-song Hosts Banquet**

*SK1906062293 Pyongyang KCNA in English  
0549 GMT 19 Jun 93*

[Text] Pyongyang, June 19 (KCNA)—The great leader President Kim Il-song arranged a banquet at the Kumsusan Assembly Hall today in honor of His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand on an official goodwill visit to Korea.

When the crown prince, conducted by President Kim Il-song, appeared in the banquet hall, the participants warmly welcomed him with thunderous applause.

President Kim Il-song made a speech.

His Royal Highness Crown Prince Maha Wachiralongkon spoke next.

Invited to the banquet were Minister of Agriculture and Cooperation of Thailand Niphon Phromphan and others accompanying the crown prince, Thai Ambassador E.P. [Extraordinary and Plenipotentiary] to Korea Montri Chalichan and his embassy officials.

Vice-president Yi Chong-ok, Vice-premier and Foreign Minister Kim Yong-nam, Vice-premier Chang chol, officials concerned and Korean Ambassador E.P. to Thailand Yi To-sop were on hand.

The banquet took place in a cordial atmosphere overflowing with friendly feelings.

#### **Kim Il-song Makes Speech**

*SK1906135593 Pyongyang Korean Central  
Broadcasting Network in Korean 1200 GMT 19 Jun 93*

[Report on the speech by President Kim Il-song at a banquet held in honor of the visiting Thai Crown Prince Maha Wachiralongkon at the Kumsusan Assembly Hall in Pyongyang on 19 June]

[Text] The great leader Comrade Kim Il-song arranged a banquet in honor of His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand.

Today, the great leader Comrade Kim Il-song arranged a banquet at the Kumsusan Assembly Hall in honor of His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand who is on an official goodwill visit to our country. When the great leader Comrade Kim Il-song appeared in the banquet hall with His Royal Highness Crown Prince Maha Wachiralongkon, the attendants welcomed them with thunderous applause.

The great leader Comrade Kim Il-song made a speech at the banquet. Next, His Royal Highness Crown Prince Maha Wachiralongkon made a speech.

Invited there were Niphon Phromphan, minister of agriculture and cooperatives of the Kingdom of Thailand; other entourage members; and Montri Chalichan, Thai ambassador extraordinary and plenipotentiary to our country.

Attending the banquet were Vice President Yi Chong-ok; Kim Yong-nam, vice premier and minister of Foreign Affairs; Vice Premier Chang Chol; functionaries concerned; and Yi To-sop, our country's ambassador extraordinary and plenipotentiary to the Kingdom of Thailand.

The banquet was held in a cordial atmosphere overflowing with friendly feelings.

Comrade Kim Il-song's address at the banquet is as follows:

Your Respected Royal Highness Crown Prince Maha Wachiralongkon, Thai guests, comrades, and friends:

I am very pleased today to meet again Your Royal Highness Crown Prince Maha Wachiralongkon, a close friend of our people. I warmly welcome Your Royal Highness Crown Prince and your entourage.



Your Royal Highness Crown Prince visited our country in March last year and we have already become friends, so you are now an old friend of ours. True to your promise to us, you have come to visit our country again. This is an expression of your deep trust in us as well as clear proof of the excellent friendly relations between the two peoples of Korea and Thailand.

We feel greatly satisfied with the friendly and cooperative relations between the two countries which have been developing favorably since you visited our country.

Both the DPRK and Thailand are Asian countries that value independence. The peoples of our two countries are close friends advancing hand in hand to ensure the peace, stability, and prosperity of Asia. The excellent relations between our two countries accord not only with the interests of the two peoples, but also with the common interests of the Asian people.

Our people are deeply interested in the great advance made by the Thai people in their endeavors for peace and progress of the country under the leadership of His Majesty, the esteemed King Phumiphon Adunyadet.

Upholding the intent of his majesty the king, your Royal Highness Crown Prince has done a great deal of work for the prosperity of your country, for the wellbeing of your people, and for friendship with many countries in Asia and the rest of the world. Thus, your Royal Highness Crown Prince is held in respect and confidence by your people. We highly evaluate your Royal Highness Crown Prince's activities and sincerely wish you greater success in your future work.

We attach important significance to promoting visits and contacts and to developing economic and cultural exchange and cooperation with Thailand which is geographically near our country.

I believe that your Royal Highness Crown Prince's visit to our country will serve as an important occasion to broadly develop the friendly and cooperative relations between our two countries in many fields.

During your stay in our country, your Royal Highness Crown Prince will feel in person our people's friendship towards the Thai people and receive a warm welcome and cordial hospitality from our people wherever you go.

Hoping that your Royal Highness Crown Prince and your entourage will spend pleasant days, I propose to you a toast to the friendship of the peoples of Korea and Thailand, the prosperity of the Kingdom of Thailand, the long life and good health of his majesty, esteemed King Phumiphon Adunyadet, the good health of your respected Royal Highness Crown Prince Maha Wachiralongkon, the good health of Thai guests, and the good health of comrades and friends attending here.

### **Crown Prince Speaks at Banquet**

*SK1906062393 Pyongyang KCNA in English  
0546 GMT 19 Jun 93*

[Text] Pyongyang, June 19 (KCNA)—His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand made a speech at a banquet arranged by the great leader President Kim Il-song at the Kumsusan Assembly Hall today.

I feel highly honoured to have been invited to visit the Democratic People's Republic of Korea once again, he said, and went on:

And at the same time I am highly pleased to announce to you that the previous visit of mine has given me numerous opportunities to observe the excellence of Korea in all areas which reflects the true success of the Korean people both in the past and at the present time. Those experiences have made deep impressions upon me and I feel assured that the DPRK will definitely continue to progress towards even greater successes.

Moreover, I should not fail to iterate that I certainly much appreciated the genuine friendship extended to me by every Korean everywhere at that time. Such experience gave me the feeling that the period of my stay during that visit was far too short.

I am, therefore, extremely pleased and gratified to have opportunity to visit this beautiful country for the second time, with a fervent hope that it will result in the further strengthening of the bonds of friendship between the Kingdom of Thailand and the DPRK to a greater extent.

### **Visits Sites in Pyongyang**

*SK2006085493 Pyongyang KCNA in English  
0826 GMT 20 Jun 93*

[Text] Pyongyang, June 20 (KCNA)—His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand and his entourage on an official goodwill visit to the DPRK, went to the Three-Revolution Exhibition on June 19.

The guests were accompanied by Vice Premier Chang Chol, Vice Minister of Foreign Affairs Cho Kyu-il and officials concerned.

The guests were briefed on the great achievements made by the Korean people in the efforts to implement the line of the three revolutions, ideological, technical and cultural, under the wise leadership of the party and the leader, while going around with keen interest the general hall, the heavy industry hall, the agriculture hall and the electronic industry hall.

Concluding his inspection, the crown prince made an entry in the visitor's book.

Saying he saw the exhibition with deep interest, he stressed that it is an important place where not only the Korean people but also the world people can learn a lot of things.



The guests also inspected the political university under the Ministry of Public Security.

A welcome function took place at the university for the crown prince.

They saw the training of students, receiving warm welcome of the teachers and students of the university.

The crown prince said that the students are disciplined, possessed of excellent abilities and well prepared physically.

On the same day, the guests visited the Tomb of King Tongmyong who founded Koguryo, an ancient kingdom of Korea, and appreciated an acrobatic performance at the Pyongyang Circus Theatre.

#### **Tours Mt. Paektu 'Secret Camp'**

*SK2106052093 Pyongyang KCNA in English*  
0443 GMT 21 Jun 93

[Text] Pyongyang, June 21 (KCNA)—His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand and his party Sunday visited the Mt. Paektu secret camp in Yanggang Province in the northern part of Korea.

The guests were accompanied by Vice-Premier Chang-chol, Vice-Minister of Foreign Affairs Cho Kyu-il, Vice-chairman of the Agricultural Commission Kim Yong-hak and Korean Ambassador c.p. [extraordinary and plenipotentiary] to Thailand Yi To-sop.

The guests looked round the relics preserved in the log cabin of the command, hearing an explanation that the great leader President Kim Il-song, staying in the Mt. Paektu secret camp after the historical Nanhutou meeting, had energetically led the military and political activities of the Korean People's Revolutionary Army and the anti-Japanese national liberation struggle of the people in the homeland. Then they called at the time-honored old home of the dear leader Comrade Kim Chong-il.

His Royal Highness the Crown Prince had a picture taken in token of his visit to the old home and made an entry in the guest register.

The Thai guests toured Mt. Paektu.

The Samjiyon County People's Committee arranged a banquet for the guests that day.

#### **Daily Observes 49th National Day of Iceland**

*SK1706121093 Pyongyang KCNA in English*  
1010 GMT 17 Jun 93

["National Day of Iceland"—KCNA headline]

[Text] Pyongyang, June 17 (KCNA)—Papers here today observe the 49th national day of Iceland.

The author of a MINJU CHOSON article says:

The Korean people extend felicitations to the Icelandic people on the day.

The Icelandic Government and people who aspire after the independent development of the country call for the establishment of a nuclear-free zone in northern Europe.

The DPRK established diplomatic relations at ambassadorial level with Iceland in July 1973.

The Korean people wish the Icelandic people new success in their future work for the prosperity and development of the country.

#### **Tanzanian Delegate Signs Information Agreement**

*SK1806052693 Pyongyang KCNA in English*  
0424 GMT 18 Jun 93

[Text] Pyongyang, June 18 (KCNA)—An agreement on cooperation in information services between the Information Committee of the Democratic People's Republic of Korea and the Ministry for Information and Broadcasting of the United Republic of Tanzania was signed here Thursday [17 June].

The signing ceremony was attended on the Korean side by Kim Ki-yong, chairman of the DPRK Information Committee, and other officials concerned and on the opposite side were the members of the delegation of the United Republic of Tanzania led by Minister for Information and Broadcasting William F. Shija.

#### **Kim Chong-il Receives Gifts**

##### **From Foreign Leaders**

*SK1806053393 Pyongyang KCNA in English*  
0454 GMT 18 Jun 93

[Text] Pyongyang, June 18 (KCNA)—The dear leader Comrade Kim Chong-il received gifts from Ghanaian President Jerry John Rawlings, Nigerian President Ibrahim B. Babangida and Pakistani Prime Minister Mian Mohammad Nawaz Sharif.

A gift was also sent to him by Raul Castro Ruz, first vice-president of the Cuban Council of State and Minister of the Revolutionary Armed Forces.

The gifts were handed to officials concerned.

##### **From Nonaligned Ministers**

*SK1806054493 Pyongyang KCNA in English*  
0451 GMT 18 Jun 93

[Text] Pyongyang, June 18 (KCNA)—The dear leader Comrade Kim Chong-il received gifts from ministers of information and delegations participating in the fourth Conference of the Ministers of Information of Nonaligned Countries.

The gifts were presented by Zairean Minister of Information Ngongo Luwowo, Ugandan Minister of Information Paul Orono Etiang, Iranian Minister of Culture and Islamic Guidance Ali Larijani, Cypriot Permanent Secretary of the Ministry of Interior Haralambos Hadjipanayiotou, the Lao



delegation, the Syrian Ministry of Information, the Egyptian minister of information, the Indian minister of state for information and broadcasting and the Malaysian minister of information.

The gifts were handed to officials concerned.

### **Kim Il-song Receives Gifts**

#### **From Foreign Leaders**

SK1806053593 *Pyongyang KCNA in English*  
0453 GMT 18 Jun 93

[Text] Pyongyang, June 18 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea received gifts from Ghanaian President Jerry John Rawlings, Nigerian President Ibrahim B. Babangida and Pakistani Prime Minister Mian Mohammad Nawaz Sharif.

A gift was also sent to him by the Kuwaiti Government.

The gifts were handed to officials concerned.

#### **From Nonaligned Ministers**

SK1806054693 *Pyongyang KCNA in English*  
0449 GMT 18 Jun 93

[Text] Pyongyang, June 18 (KCNA)—The great leader President Kim Il-song received gifts from ministers of information and delegations participating in the fourth Conference of the Ministers of Information of Nonaligned Countries.

The gifts were presented by Zairean Minister of Information Ngongo Luwowo, Ugandan Minister of Information Paul Orono Etiang, Iranian Minister of Culture and Islamic Guidance 'Ali Larijani, Cypriot Permanent Secretary of the Ministry of Interior Haralambos Hadjipanayiotou, the Cuban delegation, the Lao delegation, the Syrian Ministry of Information, the Egyptian minister of information, the Indian minister of state for information and broadcasting and the Malaysian minister of information.

The gifts were handed to officials concerned.

### **South Korea**

### **Reportage on U.S.-DPRK Talks**

#### **UN Ambassador Comments**

SK2006112793 *Seoul CHOSON ILBO in Korean*  
19 Jun 93 p 4

[Interview with Yu Chong-ha, ROK ambassador to the United Nations by New York-based reporter Kim Sung-yong; date and place not given—first paragraph is introduction]

[Text] There is a criticism that the U.S.-North Korean high-level talks ended in satisfying most of North Korea's demands. To see the evaluation and prospect of the U.S.-North Korean high-level talks, CHOSON ILBO met with Yu Chong-ha, ROK ambassador to the United Nations

who had maintained close relations with the U.S. side during the U.S.-North Korean high-level talks.

[Kim Sung-yong] There is a saying that the U.S.-North Korean talks ended with an unsatisfactory [mijinhan] outcome.

[Yu Chong-ha] The U.S. press, including THE NEW YORK TIMES, positively evaluated the U.S.-North Korean talks. Most Japanese press, however, has critically viewed the U.S.-North Korean talks. After listening to those participants in the talks explaining the outcomes of the talks in detail, the U.S. press analyzed the outcomes of the talks. The Japanese press, however, analyzed the outcomes of the talks mainly on the basis of the joint statement. This is the very reason why the U.S. press and the Japanese press differently evaluated the talks.

Considering a given situation, the U.S.-North Korean talks proceeded very well. The United States clearly said to the North Korean side that if North Korea tries to develop nuclear weapons, the United States will not tolerate [yongnap] this. In addition, the United States said to the North Korean side that if North Korea does not develop nuclear weapons and completely returns to the nuclear Nonproliferation Treaty [NPT], the United States is ready to help North Korea take such a measure under some basic principles. Thus, through negotiations with the United States, North Korea revealed its intent to come to the talks under some basic principles provided by the U.S. side.

[Kim] What are the basic principles the United States provided to North Korea?

[Yu] They are four principles: North Korea should not withdraw from the NPT; it should constantly receive the inspections by the International Atomic Energy Agency [IAEA]; its two suspicious facilities in Yongbyon should be included in the targets of international nuclear inspections; and North Korea should accept the North-South Korean mutual inspections. Of course, there may be some ambiguity in expressing the four principles. However, the United States has negotiated a basic concession from North Korea. We cannot make public the content of the talks, because they were off-the-record talks. It seems that the United States has felt confident that North Korea will abide by the content of the talks in the future.

[Kim] North Korea has not returned to the NPT, but has suspended its decision to withdraw from the NPT. In spite of this, do you think that North Korea has really accepted the basic principles provided by the United States?

[Yu] Above all, I think that the United States got North Korea to give up its strategy toward the talks. North Korea's strategy toward the talks was, in a word, that it would validate its NPT withdrawal on 12 June. North Korea had a strategy to prevent the UN Security Council from imposing sanctions on North Korea by using the "ongoing" U.S.-North Korea talks as a pretext. Once North Korea's NPT withdrawal is validated, North Korea can be completely "liberated" from the duties pursuant to NPT member states. If North Korea is completely liberated from the duties pursuant to the NPT member states, it can use



"return to the NPT" as a new diplomatic card in negotiations with the United States. North Korea's strategy was to get all concessions from the United States, by using both the card of returning to the NPT and the card of accepting nuclear inspections.

Another important success which the United States gained in the talks is that the United States has gotten North Korea to stay with the NPT system, even though North Korea has not returned to the NPT but instead suspended its decision to withdraw from the NPT. As a result, the IAEA can constantly conduct nuclear inspections of North Korea's facilities. Even though special inspections are delayed, if the IAEA continually conducts general inspections of North Korea's facilities, this can exercise a great influence in preventing North Korea from developing nuclear weapons.

[Kim] Was there any progress in the issue of special nuclear inspections at the U.S.-North Korean talks?

[Yu] Progress was made in the issue of special nuclear inspections. The United States put emphasis on the importance of the application of the "full scope" of nuclear safeguard accords. North Korea accepted the U.S. demand, thus this has been clearly written in the joint statement. The expression "full scope" is a concept that precisely means special inspections. However, North Korea claimed that "impartial" be written before application of full scope safeguards. Thus, the phrase—impartial application of full scope safeguards—has been written in the joint statement as North Korea claimed. Therefore, the phrase will be a target of considerable discussions. However, the United States and North Korea have agreed to the application of full-scope nuclear safeguard accords, including the two inspection targets to which North Korea has objected. This was the most difficult part in the negotiations.

[Kim] What is the meaning and effect of North Korea's policy on the suspension of its decision to withdraw from the NPT? What does this differ from the complete stay with the NPT?

[Yu] This is a political issue. North Korea has declared the suspension of its decision to withdraw from the NPT. Thus, reversing once again the suspension of its decision to withdraw from the NPT will be as difficult as its decision to withdraw from the NPT. In addition, in reality, North Korea might feel at the talks that the withdrawal from the NPT means immediate sanctions by the UN Security Council. Therefore, North Korea now wants to use a diplomatic card, the "revocation of the NPT withdrawal," in the next negotiations with the United States. In addition, the policy on suspension of the decision to withdraw from the NPT is a way to save North Korea's face at home and abroad. We can know this by the fact that North Korea has persistently demanded the expression—"unilateral" decision to suspend the NPT withdrawal—in the joint statement.

[Kim] Was there any tangible progress in the North-South mutual inspections?

[Yu] The issue of North-South mutual inspections is contained in the portion of the joint statement on support for the denuclearization of the Korean peninsula. This is because the North-South declaration of denuclearization clearly stipulates the conduction of mutual inspections.

[Kim] Was it true that North Korea has achieved what it had wanted by threatening to withdraw from the NPT? This is because North Korea has opened door for the U.S.-North Korean negotiations and has gained the U.S. agreement on the "basic principles" which North Korea had wanted.

[Yu] Even though the United States has satisfied North Korea by agreeing to use the phrases claimed by North Korea in the joint statement, the United States has not provided anything new to North Korea. The basic principles for North Korea are the ones that have already been stipulated in the UN Charter and in U.S. external policies.

[Kim] Can the U.S.-North Korean agreement be a foundation for improving relations between the two sides?

[Yu] If the nuclear issue is resolved, this may remove an important stumbling block to improving U.S.-North Korean relations. However, resolution of the nuclear issue itself does not directly lead to the normalization of U.S.-North Korean relations. The United States made it clear at the talks that other urgent issues—including the issue of nonproliferation of weapons of mass destruction and missiles and the issue of giving up terrorism—should be discussed prior to improving the relations between both sides.

### Exclusion of South Interests Feared

SK2006074193 Seoul CHOSON ILBO in Korean  
20 Jun 93 p 3

[Editorial: "Relations Between the United States and North Korea, and South Korea's Relations With Them"]

[Text] Further U.S.-North Korean high-level talks are likely to be held again in Geneva in the near future to discuss the following-up steps after announcing the 11 June U.S.-North Korean joint statement regarding the North Korean nuclear issue.

According to the contents of their joint statement, the delegates from the United States and North Korea have agreed to temporarily postpone the effectiveness of the North Korean decision to withdraw from the Nuclear Nonproliferation Treaty until the date which North Korea requires. They have also reached agreement on the three principles as demanded by North Korea.

It has not yet been disclosed what was unofficially discussed in the four rounds of U.S.-North Korean talks. Under these circumstances, the agreement reached between the United States and North Korea has therefore raised an important question about a U.S. position toward North Korea. According to North Korea's insistence, the U.S. acceptance of the three principles demanded by North Korea means that it will positively consider the withdrawal of U.S. troops from South Korea, the conversion of the



Korean peninsula into a nuclear-free zone rather than its mere denuclearization, and the peaceful reunification method put forward by North Korea.

If the United States accepted North Korea's principles without giving full consideration, this means that a grave damage has been created in the mutual cooperation system between the ROK and the United States. If the United States has done so, it should clearly explain the reason.

Regarding this, there is no official comment from the United States as well as no convincing position that has been taken by the ROK Government.

The North Korean nuclear issue will be first discussed in the upcoming U.S.-North Korean high-level talks in Geneva, then improvement of relations between the United States and North Korea will be discussed. Because the key issue they want to discuss in the talks is the issue of the security of the Korean peninsula, the United States and North Korea should not hastily and unilaterally proceed with the talks, excluding the ROK's position.

The United States must therefore strengthen its dialogue channel to closely exchange views with the ROK through the whole course of the talks. At the same time, partly as a precondition to the improvement of relations between the United States and North Korea, the United States has to make North Korea aware that it should maintain close contact with South Korea to conduct mutual inspections and to make a practical progress in North-South relations.

The ROK Government therefore must try to form a strong consensus among its officials regarding the North Korean nuclear issue. Also, it has to concentrate all efforts on avoiding the danger of a situation in which the Korean peninsula issue may be discussed in the talks without reflecting the ROK's position.

For this end, the North-South contacts should be held side by side with U.S.-North Korean high-level talks under the situation in which the United States and China are cooperating to resolve the North Korean nuclear issue. At the same time, the ROK Government should not hastily take the position of separating the nuclear issue from economic cooperation in North-South relations.

If it is impossible to resolve the nuclear issue through U.S.-North Korean high-level talks because of North Korea's inflexible position, the ROK Government must try to hastily strengthen the mutual cooperation system with the United States so that the issue can be discussed at tripartite talks between the ROK, the United States, and North Korea.

#### **'Senior' Official Views Talks**

*SK2106061593 Seoul YONHAP in English 0606 GMT 21 Jun 93*

[Text] Washington, June 20 (YONHAP)—The United States and South Korea have agreed that the forthcoming high-level U.S.-North Korea talks will focus on resolving

the North Korean nuclear issue and not deal with bilateral ties, a visiting senior South Korean government official said Sunday.

The official told reporters that the talks, a follow-up to the high-level talks in New York earlier this month, would take place in two or three weeks.

"The follow-up talks will not turn into a meeting for improving ties between the United States and North Korea, unlike some speculation," he said, speaking on condition of anonymity.

The official ruled out the possibility that the talks would be in parallel with political talks on normalizing relations.

Assistant Secretary of State for Political and Military Affairs Robert Gallucci will represent the United States in the talks, which may be in Geneva as North Korea has reacted negatively to New York and Vienna, he said.

The United States had compromised in the New York talks to get Pyongyang to stay in the nuclear Non-Proliferation Treaty, the official said.

He said he understood the inclusion of the issue concerning nuclear safeguards accord in the joint statement after the New York talks as an indication that Pyongyang will accept nuclear inspections through negotiations with the International Atomic Energy Agency.

#### **Foreign Minister Briefs President on Europe Tour** *SK1906025193 Seoul YONHAP in English 0132 GMT 19 Jun 93*

[Text] Seoul, June 19 (YONHAP)—President Kim Yong-sam was briefed on Saturday by Foreign Minister Han Sung-chu on the results of his tour of five European countries.

Han told the chief executive that he had agreed with leaders of Russia, Poland, France, Austria and Britain to strengthen further international cooperation for solution of the North Korean nuclear issue.

Han returned home on Friday evening.

#### **Han Reports on Europe Visit, North Nuclear Stand**

*SK1906014793 Seoul THE KOREA HERALD in English 19 Jun 93 p 2*

[Text] Israel intends to consult closely with South Korea and the United States in connection with its move to send the Israeli foreign minister to North Korea, Foreign Minister Han Sung-chu said yesterday.

He said the Israelis and North Koreans seems to have different motivations behind their moves for direct contacts. While the Israelis want to have talks with North Korea to dissuade them from selling missiles to Iran, the North Koreans are willing to open contacts with a country close to the West, he said.



Israel, in consideration of current international concerns about the suspected nuclear weapons development program by Pyongyang, has suggested consultations with both the United States and South Korea before opening contacts with North Korea, Han said at Kimpo International Airport upon his return from a five-nation European tour.

Timed to coincide with high-level talks between North Korea and the United States in New York last week, Han's tour of Russia, Poland, France, Austria and Britain was mainly focused on enlisting their support for South Korea's strategy to resolve the North Korean nuclear issue.

He said the United States agreed in the second round of high-level talks not to negotiate with the North Koreans on the nuclear issue on behalf of the International Atomic Energy Agency (IAEA) but to help the communist country save face by accepting inspections from the agency.

Han said neither Washington nor Seoul is in the position to suggest policy to the IAEA concerning North Korean obligations to the agency.

Whether North Korea will accept the special inspections demanded by the IAEA is a topic to be resolved between the agency and the North. South Korea, the United States and other countries can only work to create a favorable climate, the minister said.

He rejected criticism that South Korea has lost out while persuading the North to remain in the Nuclear Nonproliferation Treaty (NPT).

"North Korea may believe it gained something from the talks with the United States. That's fine as long as such belief is helpful to the settlement of the nuclear issue.

"But it is not proper for the people in the South to think that they have lost out because the North Koreans gained," Han said.

During his tour of Europe, the minister met with the leaders of Russia, France and Britain, all of which are standing members of the U.N. Security Council with veto power, and succeeded in getting their open support on the issue.

Russian President Boris Yeltsin, while meeting Han, made clear Russian opposition to the North Korean nuclear weapons program, stressing that North Korea should stay in the NPT.

British Prime Minister John Major also stated his full support for the South Korean position concerning the nuclear issue.

"I tried to reaffirm and strengthen the joint posture of the major world's countries concerning the North Korean nuclear problem. This may be the biggest outcome of my trip," Han said.

In Vienna, the minister discussed with Hans Blix, IAEA director general, the future strategy to have North Korea open facilities for inspections.

Han said he also had a chance to promote Seoul's new foreign policy, based on the principles of human rights and democracy, during the World Conference on Human Rights in Vienna June 14-15.

While giving a keynote speech on South's Korea's human rights policy, he met with many foreign ministers attending the conference and briefed them on the foreign policy guidelines of the government of Kim Yong-sam.

### **IAEA To Resume Inspection Talks With DPRK**

*SK1806225293 Seoul KBS-1 Radio Network in Korean  
2210 GMT 18 Jun 93*

[By correspondent Cha Man-sun from Vienna]

[Text] Now that North Korea has decided to suspend its withdrawal from the Nuclear Nonproliferation Treaty [NPT], the International Atomic Energy Agency [IAEA] will resume negotiations with North Korea on continuing nuclear inspections.

Welcoming the positive results of the U.S.-North Korean talks, IAEA Director General Hans Blix said: Because North Korea's suspension of its withdrawal from the NPT means that the treaty signed between North Korea and the IAEA is still valid, the IAEA is attempting to hold negotiations with North Korea so that IAEA inspections of North Korea can resume as soon as possible.

### **Foreign Minister Says North Remaining in NPT**

*SK1806115893 Seoul YONHAP in English 1150 GMT  
18 Jun 93*

[Text] Seoul, June 18 (YONHAP)—Foreign Minister Han Sung-chu said on Friday afternoon that the upcoming second-phase high-level talks between the United States and North Korea will be significant in that it would provide ground for faithful fulfillment by North Korea of its treaty obligations under the nuclear safeguards agreement.

While meeting with reporters on his return home from a tour of five European countries, Minister Han observed that now that North Korea has withheld its withdrawal from the Nuclear Nonproliferation Treaty [NPT], the North won't be able to withdraw from the NPT ever again.

The minister said what is important in the nuclear inspection of North Korea is to gain what the International Atomic Energy Agency (IAEA) is after.

"So, we don't care about the form or name of such inspection," Han said.

The minister thus indicated that his government would not object it even if IAEA inspections were made of the Yongbyon nuclear center in a way other than special inspection.

### **Israel To Send Ministry Delegation to Pyongyang**

*SK1906022593 Seoul HANGUK ILBO in Korean  
19 Jun 93 p 4*

[YONHAP from Cairo]



[Text] Israel has reportedly decided to send a high-level Foreign Ministry delegation led by Foreign Minister Shim'on Peres to Pyongyang to persuade North Korea not to sell North Korean-made missiles to the Middle East.

**DPRK Ambassador Denies Reports on Israeli Aid**  
*SK1906230893 Seoul KBS-1 Radio Network in Korean 2104 GMT 19 Jun 93*

[YONHAP from Beijing]

[Text] China's XINHUA News Agency reported: North Korean authorities denied the report that Israel would give North Korea economic aid in return for its promise to stop selling weapons to Arab countries. North Korean Ambassador to Jordan Kang Su-pong criticized the recent foreign reports that Israel would provide aid to North Korea, and said these reports are groundless.

XINHUA added: Ambassador Kang Su-pong said that the recent missile launch was routine (tongsangok) military training. He also denied reports that North Korea had test fired a new type of missile.

**Economic Relations Hinge on North Return to NPT**

*SK2006021393 Seoul YONHAP in English 0151 GMT 20 Jun 93*

[Text] Seoul, June 20 (YONHAP)—The government will not allow full-fledged economic cooperation with North Korea until North Korea returns fully to the Nuclear Nonproliferation Treaty (NPT) and accepts special nuclear inspections by the International Atomic Energy Agency (IAEA), a government official said on Sunday.

The government earlier said it would allow businessmen to visit North Korea and permit economic cooperation programs with the North if and when a breakthrough is provided in the resolution of the nuclear issue.

But, the official said the recent withholding by North Korea of its withdrawal from the NPT cannot be taken as being sufficient enough to be a breakthrough.

"Therefore, we cannot authorize businessmen's visits to North Korea or programs of full-fledged economic cooperation with North Korea at the present stage," he said.

The official said there is no change in President Kim Yong-sam's belief that there could be no substantial progress in South-North relations nor could any South-North summit meeting be meaningful without the resolution of the nuclear question.

However, he said, simple commodity exchanges between the South and the North would continue to be allowed as now.

"The government has tentatively reached the conclusion that there could be a breakthrough only when North Korea returns to the NPT, accepts the IAEA's special inspections, and agrees on rules for mutual inter-Korean nuclear inspections," the official said.

**Government Postpones 24 Jun Contact With North**

*SK2006225993 Seoul KBS-1 Radio Network in Korean 2200 GMT 20 Jun 93*

[Text] Based on its judgment that no substantial progress can be made in North-South relations if North Korea's nuclear issue is not resolved, the government plans to notify the North side of its decision to postpone the date for a working-level contact, 24 June, which North Korea proposed.

**Nuclear Issue Pivotal in North-South Relations**

*SK2106060993 Seoul KBS-1 Radio Network in Korean 0510 GMT 21 Jun 93*

[Text] The government today held a high-level strategic conference of reunification-related ministers. It reconfirmed at the meeting its policy that unless North Korea's nuclear issue is resolved, no progress will be made in North-South relations.

It was learned at today's conference that the government decided to postpone until late this month or early next month the North-South working-level contact, which the North Korean side proposed for 24 June to discuss only the issue of exchanging special envoys. However, the government will propose to the North Korean side that the contact be held around this time without designating the agenda items.

The participants in today's conference did not anticipate that the North Korean side would respond to our proposal for discussion of the nuclear issue before another round of U.S.-North Korean high-level talks slated for late this month. They agreed it is desirable to propose a date for a working-level contact only after the U.S.-North Korean high-level talks are held.

The government will hold a reunification-related ministers meeting tomorrow morning and will finalize its policy that unless North Korea actively responds to solving the nuclear problem, including the acceptance of the International Atomic Energy Agency's special inspection, our businessmen's visit to the North will not be allowed and no practical progress can be made in North-South relations.

The government plans to send a telephone message to the North Korean side tomorrow proposing the postponement of the working-level contact date.

**Government Wants Nuclear Issue on Agenda With North**

*SK2106032593 Seoul YONHAP in English 0303 GMT 21 Jun 93*

[Text] Seoul, June 21 (YONHAP)—A high-level strategy meeting at the prime minister's office on Monday morning discussed North Korea's proposal for a working-level contact on Thursday on an exchange of special emissaries.

The meeting, presided over by Prime Minister Hwang In-song, decided to inform Pyongyang on Tuesday that the



North Korean nuclear problem should be on the agenda as well as the exchange of special emissaries.

The government is also looking at the date of the working-level contact and informed sources say it is torn between accepting the North Korean proposal of June 24 and asking for a delay until early July.

"The government is to hold a meeting of unification-related ministers on Tuesday and decide final details," the sources said.

#### **Kim Yong-sam Aide Meets CPC Official in Qingdao**

*SK2106100993 Seoul KYONGHYANG SINMUN in Korean 21 Jun 93 p 2*

[Report by Beijing-based correspondent Sin Yong-su]

[Text] Choe Hyong-u, former secretary general of the ruling Democratic Liberal Party, attended the opening ceremony of the "Qingdao-93 External Economic and Trade Talks" which was held in Qingdao city, Shandong Province, China on 19 June. He attended the ceremony as a foreign guest, and when he met the ROK reporters there, he said that he had no plan to meet Chinese political leaders during his visit to China.

However, it has been revealed that he met and had talks with Chinese dignitaries such as Jiang Chunyun, member of the CPC Central Committee's Political Bureau and secretary of the Shandong CPC Committee, after he had toured the exhibition of the opening ceremony.

#### **Ministry To Extend High-Tech Tariff Exemptions**

*SK2106083293 Seoul YONHAP in English 0758 GMT 21 Jun 93*

[Text] Seoul, June 21 (YONHAP)—The government has decided to keep tariff reduction and exemption for sophisticated technologies and defense companies for an additional four years. It was due for expiration at the end of this year.

Tariff reductions and exemptions will be modified from the existing method of selecting by area to the more selective method of selecting by individual project next year, a senior official at the Finance Ministry said Monday.

The rate of reduction, currently set at 40 percent, will be lowered 5 percentage points a year from next year to 20 percent in 1997 and tariff reduction will be completely abolished the following year, Pyon Hyong, Director general of the Ministry's Customs and Tariff Bureau, explained.

The ministry has worked out the revisions in the tariff reduction and exemption system for translation into action next year.

The ministry will scale back the scope of tariff reductions on a gradual basis in accordance with the tax reforms in the five-year plan for "a new economy" and maintain the current system for pollution prevention facilities and equipment.

Up to now, for instance, the semiconductor industry has enjoyed the benefits of the system unconditionally as it was regarded as an advanced technology sector, byun explained. But under the revised system, outdated 64 k-dram chips will not benefit while 4 mega-drams will.

The textile industry hasn't benefitted from the system due to its evaluation as an outdated industry, but will benefit next year centering around such high-tech areas as ultra-fine yarn.



## **Cambodia**

### **Chea Sim Meets U.S. Assistant Secretary of State**

*BK1906063893 Phnom Penh Samleng Pracheachon  
Kampuchea Radio Network in Cambodian 0430 GMT  
19 Jun 93*

[Text] His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP], warmly received Mr. Kenneth Quinn, U.S. assistant secretary of state, at 0800 on 19 June. After welcoming the visit to Cambodia by the U.S. Department of State delegation, H.E. Chea Sim briefed his guests about the peace process in Cambodia and the recent session of the constituent assembly, which is expected to adopt the constitution in the near future. He also talked about the active process of forming a provisional national government in Cambodia, one made up of the CPP, the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party, the Buddhist Liberal Democratic Party, and the Mulinaka Party.

For his part, Mr. Kenneth Quinn spoke about the progress of the Cambodian peace process and the relations between Cambodia and the United States. He thanked the CPP and the State of Cambodia Government for their contribution to the search for remains of U.S. servicemen missing in action in Cambodia and especially for their contribution to the implementation of the Paris peace accords. These accords led to the holding of the recent general elections.

Mr. Quinn added that the U.S. people were of the opinion that the Cambodian people, who had taken part in the elections in a great number, were very courageous. The U.S. people were sympathetic with and want to help the Cambodian people to achieve a genuine peace and also to oppose the Khmer Rouge in the future. He also reaffirmed the United States' support for the participation of the CPP, the FUNCINPEC Party, and other parties in the recent balloting, stressing that this action constituted a guarantee of stability, opposition to the Khmer Rouge, and favorable conditions for Cambodia's peace.

### **Hun Sen Meets U.S. Assistant Secretary of State**

*BK1906141693 Phnom Penh Samleng Pracheachon  
Kampuchea Radio Network in Cambodian 1300 GMT  
19 Jun 93*

[Text] His Excellency [H.E.] Hun Sen, chairman of the Council of Ministers of the State of Cambodia [SOC], received a delegation of the U.S. Department of State led by H.E. Kenneth Quinn, U.S. assistant secretary of state, at the Council of Ministers office at 0830 on 19 June. H.E. Hun Sen warmly welcomed H.E. Kenneth Quinn and his aides. He briefed his guests about some important events concerning national reconciliation in Cambodia at present, saying the situation has become relaxed and that he, himself, was optimistic. H.E. Hun Sen added that he believed the national reconciliation process was showing promise, pointing out that the correct implementation of the Paris accord would guarantee the smooth transfer of power to a new government and allow the promulgation of

a new constitution. This will avoid bloodshed as has occurred in Afghanistan, Yugoslavia, and Angola.

Commenting on the election results, Chairman Hun Sen underlined that impediments should be avoided, but measures should be taken to investigate irregularities in the vote counting. He said that as of now he had no intention of rejecting the election results. He added that he, himself, and other deputies from the SOC side had attended a session of the National Assembly.

In his reply, H.E. Kenneth Quinn informed H.E. Hun Sen about the general world situation which is currently very tense. He agreed that the SOC side, like all of the other parties, had played an important role in the implementation of the Paris accord over the past nearly two years. Especially at present, their role was apparent in the promotion of national reconciliation. H.E. Kenneth Quinn added that the United States would continue to categorically oppose the Khmer Rouge. He also reaffirmed that H.E. Hun Sen would remain an important leader and prime minister for Cambodia in the future.

### **Hun Sen, Prince Ranariddh Agree on Ministries**

*BK1806140493 Hong Kong AFP in English 1346 GMT  
18 Jun 93*

[Text] Phnom Penh, June 18 (AFP)—The Phnom Penh government and opposition royalist party agreed Friday on allocation of key ministries, a government spokesman said.

Agreement was reached during a two-hour meeting between Phnom Penh government Prime Minister Hun Sen and royalist party FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] leader Prince Norodom Ranariddh, son of Prince Norodom Sihanouk.

"We consider it a historical meeting," government spokesman Sok An said. "The key portfolios have already been decided in principle."

Distribution of ministers' portfolios is a key step in forming the new interim coalition government, being negotiated by Hun Sen and Prince Ranariddh.

Head of state Prince Sihanouk had said Thursday allocation of the posts had been bogged down by difficulties, but Sok An said only details needed to be worked out.

"The concrete structure is to be discussed by the experts and will be presented as soon as possible to the new leaders," Sok An said.

He would not give details, saying only that Prince Sihanouk would be chief of Cambodia's unified armed forces. However, Prince Sihanouk has already refused the position.

He called the atmosphere of the meeting between the two rivals "excellent."

Prince Ranariddh had previously demanded that Hun Sen and his own half-brother and bitter rival Prince Norodom



Chakrapong be excluded from any interim government. Hun Sen went to the opposition leader's residence for the talks.

Prince Ranariddh had fled his home here in the months preceding the U.N.-supervised elections on May 23-28, claiming he feared for his safety following an often-lethal intimidation campaign against his party.

But Prince Chakrapong, leader of a short-lived secessionist movement to oppose FUNCINPEC's election win, would be excluded from the provisional government, Sok An said.

### **To Share Defense, Interior Posts**

*BK2006092093 Hong Kong AFP in English 0908 GMT 20 Jun 93*

[Text] PHNOM PENH, June 20, (AFP)—Phnom Penh government Prime Minister Hun Sen and FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] leader Prince Norodom Ranariddh have agreed to jointly head the key interior and defence ministries in the new coalition government currently under negotiation, Phnom Penh spokesman Khieu Kanharit said Sunday.

In addition to Hun Sen and Prince Ranariddh there will be two executive ministers, one from each of the two former warring factions, Khieu Kanharit said.

An arrangement for general staff of Cambodia's new unified armed forces has also been reached.

"The general staff will come from the Cambodian People's Party and the deputy general staff from FUNCINPEC," he said.

The decisions were made Friday in a two hour meeting between the two leaders, Khieu Kanharit said.

Prince Ranariddh and Hun Sen also agreed on the allocation of the other key portfolios of Foreign Affairs, Finance and Information, the Phnom Penh party spokesman said.

"But I cannot tell who is who yet as it is not official," he said.

FUNCINPEC party officials here were not available for comment.

### **CPP Announces Recognition of Election Results**

*BK2006133593 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 20 Jun 93*

["Communique of the Cambodian People's Party," dated 20 June—read by announcer]

[Text] The Cambodian People's Party [CPP] wishes to announce that it recognizes the results of the May legislative elections.

1. Recognizing the election results, the CPP emphatically reaffirms its stance to follow His Royal Highness Prince

Norodom Sihanouk, head of state and chairman of the Supreme National Council, who has already concurred with the election results.

2. The CPP is pleased to note that UNTAC [UN Transitional Authority in Cambodia] has changed its stance regarding irregularities that occurred in the organization of the elections since the printing of the ballot papers up till now. UNTAC has now acknowledged that irregularities have certainly occurred in the election process and vote counting.

3. The CPP announces the postponement of its judgment about the irregularities in the elections until UNTAC completes its internal inquiry. During and after the elections, the CPP presented a number of memorandums to UNTAC, including reports on irregularities in the organization of the elections. At the ceremony to open the Constituent Assembly, H.E. Yasushi Akashi, special representative of the UN secretary general, solemnly pledged that UNTAC would firmly and correctly carry on and complete its inquiry concerning this matter. The CPP is awaiting the results of the UNTAC's inquiry.

4. The CPP's recognition of the election results is made on the basis of the fundamental interests of national reconciliation, peace, and stability in Cambodia. The CPP pledges to continue to work with other political parties to establish a genuinely democratic regime and to promote economic progress in the country.

[Dated] Phnom Penh, 20 June 1993

### **Hun Sen Reaffirms CPP Acceptance**

*BK2106061993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 20 Jun 93*

[Text] At 1000 on 19 June at the Council of Ministers, His Excellency [H.E.] Hun Sen, prime minister of the State of Cambodia, and H.E. Hor Namhong, foreign minister, held talks with the delegation from the French Foreign Ministry led by Jean David- Levitte, chief of the Asia and Oceania Department of the Foreign Ministry of the French Republic.

On this occasion, H.E. Hun Sen and H.E. Hor Namhong cordially welcomed the delegation from the Asia and Oceania Department of the French Republic's Foreign Ministry and informed the guests about the major aspects of the national reconciliation process in Cambodia, which is less tense at the moment, and of the belief that national reconciliation will proceed well in accordance with the Paris agreement.

Concerning the election, H.E. Prime Minister Hun Sen stressed that he will not hinder this process and that efforts should be made to investigate election irregularities and ballot counting. He said he has no intention of rejecting the election. In fact, he and assembly members from the State of Cambodia have joined the assembly.



Replying, Jean David-Levitte said that Cambodia is currently becoming an example in the international community and that Cambodia will not be like Angola. This is a cause for optimism among the Cambodian people. Jean David-Levitte further stressed that a number of countries, including Britain and the United States, are organizing a conference in Phnom Penh to provide budget support for the civilian administration and the military component to strengthen Cambodia.

Dealing with the election, Jean David-Levitte said that in France too there are irregularities as in Cambodia. However, France has made efforts to get the tribunal to investigate and make improvements. Jean David-Levitte also talked about the French president's plan to invite His Royal Highness Prince Norodom Sihanouk to visit France along with the two prime ministers.

#### **Sihanouk Promotes Top Leaders to Generals**

*BK2006122093 Phnom Penh Samleng Pracheachon  
Kampuchea Radio Network in Cambodian 1100 GMT  
20 Jun 93*

["Decree of His Royal Highness Prince Norodom Sihanouk;" dated 19 June; read by announcer]

[Text] Decree:

We, Samdech Preah Opayuvareach [Sihanouk's royal title] Norodom Sihanouk, head of state of Cambodia, has decided to promote:

His Excellency [H.E.] Chairman Chea Sim to the rank of five-golden-star supreme general [oddam senei phot lek] of the Royal Khmer Armed Forces [kang yutthapol khemarak phumin];

H.E. Chairman Heng Samrin to the rank of five-golden-star supreme general of the Royal Khmer Armed Forces;

H.E. Chairman Hun Sen to the rank of five-golden-star supreme general of the Royal Khmer Armed Forces; and

Prince Norodom Chakrapong to the rank of four-golden-star general [oddam senei phkai buon] of the Royal Khmer Armed Forces.

[Dated] Done in the Royal Palace on 19 June 1993.

[Signed] Norodom Sihanouk.

#### **Chea Sim Thanks Sihanouk**

*BK2006063293 Phnom Penh Samleng Pracheachon  
Kampuchea Radio Network in Cambodian 0430 GMT  
20 Jun 93*

[Message of His Excellency Chea Sim, chairman of the Cambodian People's Party, to His Royal Highness Prince Norodom Sihanouk, head of state, father of the nation, chairman of the Supreme National Council, and father of Cambodia's national reconciliation; issued in Phnom Penh on 20 June—read by announcer]

[Text] Respected Samdech: I would like to express my deepest gratitude to Your Highness for graciously conferring on me the lofty rank of five-golden-star supreme

general [oddam senei phot lek] of the Royal Khmer Armed Forces [Kang Yutthapol Khemarak Phumin].

The conferment of this paramount honor constitutes proof of your august trust in my person, thereby instilling in me great encouragement to further contribute to and better fulfill my duty in the cause of peace and national reconciliation in our beloved Angkorian motherland under the enlightened and astute leadership of Your Highness, the most prominent leader of the Cambodian people.

Your Highness, please accept my most loyal regards.

I avail myself of this auspicious occasion to most humbly extend best wishes to Your Highness and your royal consort. May both of you always enjoy the five Buddhist blessings.

[Dated] Phnom Penh, 20 June 1993

[Signed] Chea Sim, chairman of the Cambodian People's Party

#### **Hun Sen Thanks Sihanouk**

*BK2006153193 Phnom Penh Samleng Pracheachon  
Kampuchea Radio Network in Cambodian 1300 GMT  
20 Jun 93*

[Message of thanks from Hun Sen to Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, dated 19 June—read by announcer]

[Text] Respected prince: First of all, I would like to heartily and proudly express my profound gratitude to the prince father for having graciously conferred on me the lofty rank of five-gold-star supreme general [oddam senei thnak phot lek phkai meas pram] of the Royal Khmer Armed Forces [Kang Yutthapol Khemarak Phumin].

To express my gratitude, I would like to solemnly pledge that I will follow the path defined by his highness, the prince father until my last breath. This is because the prince father is the only wise and celebrated great leader who is capable of achieving national reconciliation and unification and is able to lead the country, nation, and people toward genuine peace, prosperity, and glory.

Prince father, please accept my highest respects and devoted loyalty.

[Dated] Phnom Penh, 19 June 1993

[Signed] Hun Sen, vice chairman of the Cambodian People's Party

#### **Heng Samrin Thanks Sihanouk**

*BK2006062893 Phnom Penh Samleng Pracheachon  
Kampuchea Radio Network in Cambodian 0430 GMT  
20 Jun 93*

[Message of His Excellency Heng Samrin, honorary chairman of the Cambodian People's Party, to His Royal Highness Prince Norodom Sihanouk, head of state, father of the nation, chairman of the Supreme National Council, and father of Cambodia's national reconciliation; issued in Phnom Penh on 20 June—read by announcer]



[Text] Respected Samdech: I am extremely moved and pleased and feel highly grateful and honored to obtain from Your Highness, Prince Father, the rank of five-golden-star supreme general [oddam senei phot lek] of the Royal Khmer Armed Forces [Kang Yutthapol Khemarak Phumin].

I take this most gratifying opportunity to humbly request your august permission to make the following pledge: I am going to turn your trust in my person into a lively activity to accumulate peace and national reconciliation under the enlightened leadership of Your Highness, the great leader of our Cambodian nation.

Your Highness, please permit me to humbly express my deepest allegiance and fidelity.

I avail myself of this auspicious occasion to most humbly wish Your Highness and your royal consort the five Buddhist blessings.

[Dated] Phnom Penh, 20 June 1993

[Signed] Heng Samrin, honorary chairman of the Cambodian People's Party

### **Sihanouk Distributes Aid to Public**

*BK2106095793 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 20 Jun 93*

[Address by Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, at a Royal Palace ceremony on 20 June to distribute aid to people from various provinces—recorded]

[Text] We, your Prince Father and Princess Mother, are honored and pleased to meet all beloved excellencies, ladies, gentlemen, and children who have come to the Royal Palace, to this Phoucheakni Hall, to receive special aid from me. Two days ago, I saw a number of you, my children—male and female, young and old—in front of the Royal Palace who wanted to see me about some problems, particularly problems in some provinces. For this reason, I would like to take this opportunity to express my regret for not having met all those children because an important meeting was also held that day. It was the meeting between our Cambodian national leaders, that is, the meeting between Cambodia's Supreme National Council [SNC] members and me and the delegations representing various big powers that have helped us and wish to give a large quantity of aid to our new Cambodian government, the administration under our new government, and the armed forces and police under this Provisional National Government of Cambodia [PNGC], which is what I call the new government. This aid is not only for national reconstruction, it is also for paying our military and civilian officials of all ministries.

Therefore, their request for a lengthy talk with me, the Cambodian head of state, and the SNC members was an important matter. Moreover, the agenda for that day's meeting at Damnak Chan Hall was arranged several days earlier. The meeting was held at 0900 and lasted until 1200

to 1230. After the meeting, a banquet was organized by the Princess Mother at Khemarin Hall for me to honor all of them, Cambodian and foreign guests. All those foreign delegates are very important persons. UNTAC [UN Transitional Authority in Cambodia] officials, headed by His Excellency [H.E.] Yasushi Akashi, were also present. I was at that meeting and subsequent banquet until late in the afternoon, around 1400 or 1500. Thus, you could not meet me that day because you came in the morning and I was engaged from that morning until the afternoon.

I would like to take this opportunity, using the service of the television and radio of the State of Cambodia and the Cambodian People's Party and that of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party—both are my children—to ask all of you to forgive me. Please understand that I know some of you who came from the provinces went to ask this beloved FUNCINPEC to give you some humanitarian aid and that His Royal Highness [HRH] Prince Kromluong Norodom Ranariddh and H.E. Chairman Hun Sen, whom I have appointed co-chairmen of the PNGC, are working in close cooperation to resolve the problems that took place last week in some of our provinces. All of you, children, who fled from those provinces have the right and freedom to return home under the direct assistance of HRH Prince Kromluong Norodom Ranariddh and H.E. Chairman Hun Sen. They will protect you from all dangers and help to enable all of you to forever enjoy a happy life in our national society. This is because the only policy that I, your Prince Father whom the national assembly—the Constituent Assembly—has given full status as head of state, have pursued is to unite and reconcile our nation, rebuild an independent Cambodia with its territorial integrity, and restore peace to our national society in which there should be no more conflict, enmity, or disunity but only reunification to make our new Cambodia as powerful as it was under the Sangkum Reas Niyum [Popular Socialist Party] and Angkor eras.

Therefore, we must strive to make progress like we did under the Sangkum Reas Niyum era that was linked to the Angkor era, the greatest time of our nation. The major basis that will enable us to successfully carry out this undertaking in our new regime, called the multi-party liberal democratic system in which there are many parties and all kinds of freedom for our people, our citizens, is unity without any further killing or bullying one another, or war.

For this reason, I would like to take this opportunity to beg the children in the Party of Democratic Kampuchea [PDK] or the Khmer Rouge to please end the war, stop fighting and attacking others, cease military operations, and turn to restoring peace to our national society so it will have national solidarity. I would like once again to beg this of you because the other parties have listened to me and agreed to follow my advice. Unfortunately, the PDK has yet to accept this call. So please accept it now. A few days ago you damaged some bridges and some other places.

As I said just now, from now on, we will receive a great quantity of aid from the international community, big



powers who are our great friends, for rebuilding our country. Thus, if members of the Khmer Rouge continue to destroy bridges and other national infrastructure, there is no way for our country to grow as fast as other countries. While we are fighting one another and destroying our country, the others are building their countries. Under the Sangkum Reas Niyum, we could make our country as prosperous as the others. Now we must do everything possible to keep pace with the others in national construction, in making our country prosperous.

Therefore, I would like to once again call on those in the PDK to stop fighting and stop destroying bridges, trains, and so forth so that we will be able to mend and rebuild the achievements of the old society. This is to enable us to build new things for the progress, happiness, and prosperity of our nation and people. Now I am honored to give to you—my children who have fled from some provinces and are relying on FUNCINPEC, particularly on Prince Kromluong Norodom Ranariddh—to your excellencies and ladies representing FUNCINPEC my personal aid consisting of \$1,000, 300 blankets, mosquito nets, and scarves. There are also 12 cases of sarongs and 12 cases of various types of medicines for our people. These are now handed over to FUNCINPEC for proper distribution to fleeing families who should be given this aid before they return home.

I know that my contribution cannot fully solve your problems. However, from watching FUNCINPEC television, generous people in Phnom Penh have also contributed a lot. I also saw Prince Kromluong Norodom Ranariddh and his wife on television. So, this is a contribution from the prince father as proof of his affection and sentiments for his children who are facing problems. Prince Kromluong Norodom Ranariddh and H.E. Chairman Hun Sen, cochairman of our new government, have now solved this problem. This is for the information of my children who are listening to me. May you all enjoy the five Buddhist blessings: longevity, social prestige, happiness, strength, and enlightenment. May you be happy. Now you can return to your original provinces, districts, and villages.

Thank you.

### **Sihanouk Urges Rapid Creation of New Constitution**

*BK2106070993 Hong Kong AFP in English 0631 GMT 21 Jun 93*

[Text] Phnom Penh, June 21 (AFP)—Prince Norodom Sihanouk urged elected members of Cambodia's constituent assembly Monday to write and ratify a constitution while he travels to North Korea and China for health reasons.

The prince's latest statement released by the Royal Palace moved up his departure abroad several weeks from early August to July 10.

"Due to extreme fatigue and a certain number of health problems, I humbly request the permission of the honorable representatives of the Cambodian people to take leave

of our venerable country from July 11 until September 15," Sihanouk said in a statement released Monday.

According to the Paris agreements, a new constitution must be ratified by the constituent assembly before the new government and the National Assembly can be formed.

The agreements specified a three-month timescale, ending August 28, for this task.

Sihanouk's statement was addressed to the aging leader of the Buddhist Liberal Democratic Party, former prime minister Son Sann, in his capacity as doyen of Cambodia's new constituent assembly.

The prince said he would stay in the North Korean capital Pyongyang until the end of August, and would be in Peking in September.

But his absence would not obstruct or retard the promulgation of the constitution, he said.

"If in August 1993, the venerable Constituent Assembly of Cambodia has finished its work ratifying the constitution, I will promulgate it with pleasure by means of a written and signed declaration which I will send to you from Pyongyang," the Prince said.

He said it would not be a good idea to wait until his return to complete the task as the people were anxious to have a constitution as soon as possible.

The National Assembly could also hold an election for a new head of state in his absence, the prince said.

If Sihanouk was elected before his return he would entrust his son, FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] leader Prince Norodom Ranariddh and Phnom Penh Prime Minister Hun Sen with the task of forming Cambodia's new government, he said.

"The assembly does not need to wait until my return to endow our nation with a new constitution and to install the new government," the prince said.

Instead they should proceed according to the timetable laid down by the United Nations and Paris agreement, he said.

Prince Sihanouk has residences in both Pyongyang and Peking where he spends much of his time.

He has often been criticised by UN sources for spending too much time out of Cambodia.

### **KR 7-13 Jun Attacks in Provinces Reported**

*BK1906151393 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 19 Jun 93*

[Text] According to a weekly report from the Defense Ministry's Press Office, between 7 and 13 June, the Khmer Rouge [KR] launched 20 attacks on some areas in Siem Reap-Oddar Meanchey, Battambang, Pursat, Kampot, Kompong Thom, Kompong Cham, Takeo, and Kratie Provinces. As a result, four SOC policemen and eight



civilians were killed while two State of Cambodia (SOC) soldiers, three SOC policemen, and 29 civilians were wounded. In the attack five Malaysian and Pakistani UNTAC soldiers were also wounded, an UNTAC peacekeeper was kidnapped, four houses were set ablaze, and four boats, a television set, a recorder, over 130 grams of gold, more than two million riels, and some equipment were robbed.

Serious attacks were reported in Siem Reap-Oddar Meanchey, Battambang, Kompong Thom, and Kampot Provinces.

In Siem Reap Province on 11 June, the Khmer Rouge attacked (Dam Po) village, (Ro Kamlang) commune, Banteay Srei District. They also blew up a bridge on Route 6 in Puok District. On 7 June, they fired more than 20 shells from DK-82 cannons on SOC's military positions in Chikreng District.

In Battambang Province on 7 June, the Khmer Rouge attacked Malaysian UNTAC policemen and the People's Committee office in Battambang District for more than 10 minutes. As a result, two UNTAC trucks and some materials were damaged and three Malaysian UNTAC peacekeepers and two civilians were wounded.

In Kampot Province on 11 June, about 30 Khmer Rouge soldiers ambushed two passenger cars and attacked a police station in Kompong Trach District, killing four policemen and wounding three others.

During an ambush on a vehicle on Route 16, four civilian were killed and two combatants of the Cambodian People's Armed Forces and six others were wounded.

Despite the Khmer Rouge attacks and the country's complicated situation, the SOC's armed forces are still able to maintain stability, determined to serve the nation effectively, protect the people and motherland, and ensure tranquillity.

As matter of fact, during that time, the SOC armed forces launched five counterattacks against the Khmer Rouge offensives. As a result, 15 Khmer Rouge soldiers were killed, many others wounded and a Khmer Rouge element surrendered.

Conspicuously, during a counterattack in Sangkum Thmei District of Preah Vihear Province, the SOC armed forces killed 10 Khmer Rouge soldiers and seized two B-40.5 rocket launchers and a quantity of ammunition. However, two Pakistani UNTAC soldiers, who were also involved in the attacks, were wounded.

#### **Khmer Rouge Activities in Kompong Thom Reported**

*BK2106074893 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 20 Jun 93*

[Text] Reports from Kompong Thom Province say that on 16 June, the Khmer Rouge launched military attacks on villages, communes, and positions of the State of Cambodia

[SOC] army in some areas in Kompong Thom Province. There were five attacks on 16 June, which included raids on and robbery of villagers, shellings against the provincial town, transport of weapons and ammunition, and roundups of people by force.

The sources specified that at 0130 on 16 June, about 30 Khmer Rouge soldiers from Division 802 attacked, robbed the people, and caused destruction in (Sok Yuos) village, Srayov commune, in Kompong Thom Province. A tape recorder and a lot of other equipment were taken away. The Khmer Rouge also executed a disabled soldier, arrested nine militiamen, and took away nine weapons, including a B-40 and eight AK's. Three of the arrested militiamen later escaped.

At 1130 on 16 June, Khmer Rouge soldiers from the same Division 802 fired two H-107 rockets on (Chi Maong) village in Lek Muoy commune of Kompong Thom provincial town. However the rockets did not explode.

At 0700 on 16 June, about 150 Khmer Rouge troops from Divisions 280 and 616 moved to sectors 33/39 and 10.5/06/03. Approximately another 100 Khmer Rouge soldiers transported ammunition from Ta Kream commune to sector 59/71.

At 0745 on 16 June, Khmer Rouge soldiers from Division 802 backed by DK guns attacked sectors 88/22 and 89/23. However, after counterattacks by SOC troops, the Khmer Rouge retreated from the above sectors at 0015.

Also on 16 June, a number of Khmer Rouge soldiers from Division 616 gathered in preparation for an attack on Kompong Koul commune in Kompong Svay district town.

#### **18 Jun Demonstration in Phnom Penh Reported**

*BK2006033493 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 19 Jun 93*

[Text] Reports from Phnom Penh say that on the morning of 18 June, hundreds of people from Kompong Cham, Prey Veng, and Svay Rieng Provinces met in front of the royal palace calling on the Prince Father [Sihanouk] and Akashi to disarm soldiers and policemen of the Phnom Penh puppets and to dissolve all brutal state authorities of Vietnam's puppets.

This is an incident, which seems small. It, however, indicates the serious situation facing the Cambodian people in the three provinces and also throughout the country where state authorities of the communist Vietnamese—civilian, military, and police—are still in place to pressure and skin the people. They continue to track down, maltreat, and murder those who voted for the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party. They continue to attack FUNCINPEC members. They continue to plunder the Cambodian people. They continue to recruit people's children to continue the fighting.

This clearly shows that the people do not need the tigers, crocodiles, and jackals to continue gnawing at the people's



bones. The people dare to go through herds of tigers, crocodiles, and jackals in their difficult journey to the capital to openly express their views in front of the royal palace so that the Prince Father and Akashi deal with these puppets in accordance with the Cambodian people's wish, which has already been expressed through the ballots.

However, if the Vietnamese aggressors, Vietnam's puppets, and bad elements insist on preserving and strengthening the communist Vietnamese's military and police structures to oppress the Cambodian people by shamelessly violating the election result and the election law in accordance with liberal democracy, and by opposing the Cambodian people's will, the Cambodian people will certainly not be afraid to express their will through concrete actions to show what is white and what is black.

### KR Criticizes Hun Sen's 'Whining'

BK1906062793 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 18 Jun 93

[Commentary: "Vietnam's Puppets Are at It Again, Whining in Order to Maintain the State Control, Dictatorial Structure, and Monopoly of the Communist Party of Vietnam in Cambodia"]

[Text] On 16 June, Hun Sen, puppet and traitor to the nation, objected to the plan to set up a provisional national government of the prince head of state, saying that:

1. There should be a two-thirds majority for the National Assembly to decide on anything;
2. He will not hand over his army to the leadership of the provisional national government.

This further clearly shows that puppet Hun Sen, Vietnam's lackey, is whining again in order to maintain power, the dictatorial structure, and the monopoly of the Communist Party of Vietnam in Cambodia.

Hun Sen and his group have again and again whined because:

1. They oppose the result of the election;
2. The group that caused seven provinces to secede from Cambodia has capriciously declared its return. It is doing all this to hinder the establishment of a provisional national government of the prince head of state. It has lied about offering power to the prince head of state. Now it is whining again.

In a similar way a Frenchman was duped by a Vietnamese woman who prepared a dish, steamed rabbit, using a cat instead of a hare. The Frenchman, duped by the Vietnamese woman, kept praising the latter saying: It is good, it is good. The Vietnamese woman could ask for anything. While the Frenchman was eating the steamed hare dish—with cat meat substituted for rabbit meat—the Vietnamese woman, hiding near the door, miowed softly. In time, the Frenchman grew suspicious because he was served steamed hare too often. One day he spotted a cat's skin in the

garbage bin and scolded the Vietnamese woman, saying: Why did you serve me cat? The Vietnamese woman then whined, stomping the ground with her feet with her tunic rolled up, and saying: It was a rabbit, definitely a rabbit.

The moral of the story is this: When caught, Vietnam continues to whine. This is Vietnam's true nature. Vietnam has told its puppets to whine in:

1. Not accepting the election result
2. Demanding repolling;
3. Demanding an investigation of the polls by an independent body
4. Causing seven provinces to secede from Cambodia
5. Lying about the handover of power to the prince head of state
6. Lying again about the agreement to set up the provisional national government.

The prince father has decided, in conformity with universal law, that the assembly can make decisions, except on the Constitution, with a majority of 61 votes. However, puppet Hun Sen has said there should be a two-thirds majority. Who is making the law then, the assembly or Vietnam's puppets? This is whining. For this reason the French have coined the expression (?rabbit paws).

The prince father has issued this guidance in order to reconcile the nation. However, in accordance with international law, based on the election result, the winner has the right to set up a government, chair the National Assembly, and set up organizational structures within the National Assembly.

Despite the fact that the prince has accommodated this group a great deal already, it still continues to whine endlessly. It is this that leads the people to say that there is no way to talk to the puppets because they are crocodiles and tigers. The entire population and the 39 percent of officials do not need the puppets, Vietnam's lackeys. Over 90 percent of policemen are very tired of this group. They want peace in accordance with the prince father's national reconciliation plan so they can be reunited with their relatives and families. They do not want to fight or be ordered by the puppet leaders to recruit soldiers among people's children and to die on behalf of these puppets. They will stop serving Vietnam and turn their weapons against the cruel puppet leaders, then return to help feed their families.

### Mines, Bridge Explosions Sever Route to Thailand

BK2106083493 Hong Kong AFP in English 0801 GMT 21 Jun 93

[Text] Phnom Penh, June 21 (AFP)—Mines and bridge explosions have cut off four major roads in northwest Cambodia, virtually severing the main route to Thailand, a U.N. spokesman said Monday.

Anti-tank mines were used over the weekend to demolish two bridges on National Route 5 southeast of Battambang, and one bridge on National Route 6 west of Siem Reap, spokesman Michael Williams said.



Route 5 is the main highway leading from the Thai border to Phnom Penh, and the explosion cut off all heavy vehicle traffic, he said.

"The French (peacekeeping) battalion also considers the length of Route 69 from the Battambang provincial border north... to be mined and dangerous, as well as Route 6 north, northwest of Siem Reap," he said.

Route 6 technically is still accessible via a bypass bridge, he said.

He was not able to explain the causes of the incidents, but would not rule out the radical Khmer Rouge who have been held responsible for previous sabotage of Cambodia's transport system. The country's two train lines were cut by Khmer Rouge attacks before the U.N.-run election in May.

"There is no evidence yet of a clear pattern emerging or a clear escalation," Williams said. "I think it is too early to say if this is a sustained effort by whomever to lay these mines."

But he said U.N. peacekeepers have told Phnom Penh government armed forces that they will refuse to repair bridges in the future unless soldiers make an effort to protect them.

Last Thursday, a Russian-made anti-tank mine placed on Route 69 in northwest Thmar Puok district blew up a pickup truck being used as a taxi and killed at least seven Cambodians. Another 12 people were injured, Williams said.

"We believe that the mine probably was laid minutes before the incident at around midday on June 17," he said.

The Khmer People's National Liberation Front (KPNLF) of former prime minister Son Sann nominally controls that area, but the Khmer Rouge have a heavy presence.

On Saturday, French mine clearers were ambushed along Route 5 between Sisophon and the Thai border by armed men wearing mixed uniforms, Williams said.

The men stole [word indistinct] U.N. vehicle and a rifle, he said.

Meanwhile in nearby Battambang, 15 Cambodians were injured Friday when two hand grenades were thrown into the central market from a passing vehicle, Williams said.

The incident "may have been the result of a local dispute," he said.

## Indonesia

**Military Chief Denies Rift Over Plane Purchase**  
*BK1806103093 Singapore THE STRAITS TIMES in English 17 Jun 93 p 12*

[By Jakarta correspondent Paul Jacob]

[Text] Jakarta—Armed Forces Chief Feisal Tanjung yesterday dismissed speculation that there were strong differences of opinion between the military and Research and Technology Minister B. J. Habibie over aircraft purchases for the Indonesian Army.

He said that the military's decision to buy only 24 British Aerospace (BAe) Hawk aircraft had been projected under the Air Force's 1989-1993 development plan. The deal was sealed at a contract-signing session last month.

General Feisal told a parliamentary committee hearing that when Dr. Habibie spoke recently of buying up to 100 Hawks from BAe, he was looking at the longer-term needs of the Air Force.

The general acknowledged that he was aware of talk that the military and Dr. Habibie, who heads the state-owned IPTN [Nusantara Aircraft Industry Corporation] aircraft company, were at odds over the issue and the number of aircraft Indonesia needed.

But he assured the committee, which covers defence, security, and foreign affairs matters, that there were no differences.

In April, Dr. Habibie offered to buy about 100 Hawks from BAe in what military sources here said was part of a move to secure international certification for aircraft assembled by IPTN.

He asked that BAe give 35 percent of the manufacturing work for the Hawks to IPTN and help the Bandung-based company secure British Civil Aviation Authority airworthiness certification for its CN235 transport aircraft.

But the idea was dismissed quickly by the military which said that its budget would allow for only 24 Hawks.

Former Armed Forces chief Edi Sudrajat, who is now Defence and Security Minister, also underlined at the time that the needs and welfare of Indonesians were more important than the requirements of the military.

The comment prompted widespread speculation of a rift with Dr. Habibie, who has also been criticised from other quarters for his ambitious high-technology projects.

Gen. Feisal yesterday sought to diffuse further speculation by pointing out that the military and Dr. Habibie had been focusing on aircraft needs at different stages of the Air Force's development.

He said that delivery of the aircraft—eight Hawk-100's and 16 Hawk-200's—would start in 1995 when the Air Forces would receive three planes. The remaining 21 would be delivered in 1996.

The acquisition of the 24 aircraft conformed with Air Force plans to establish two tactical fighter squadrons, each of which should ideally have a strength of 20 to 22 aircraft, he said.

But Gen. Feisal said that because of budget constraints, the Air Force would have to make do with allocating the 24 aircraft between the two squadrons.



He disclosed that the eight Hawk-100 twin-seater aircraft would be a training squadron while the 16 single-seater Hawk-200 would be used to establish a tactical fighter squadron.

Over the next 25 years, the Air Force would also phase out its existing stable of combat aircraft such as the American-built A-4 Skyhawks and F-5's, but would keep its F-16's which it acquired only in 1989. Indonesia is reported to have a total of 80 combat aircraft.

Gen. Feisal suggested that it was with these developments in mind that Dr. Habibie had spoken about acquiring a larger number of the Hawk aircraft.

#### **West Java Authorities Withdraw Book on Religion**

*BK1706130393 Jakarta THE JAKARTA POST in English 5 Jun 93 p 2*

[Text] Jakarta (JP)—The West Java authorities have withdrawn a book entitled "Desain Jahudi" (Jewish Design) from the market because it is causing unrest among Muslims.

H. Sugeng Marsigit, the chief of the West Java public prosecutor's office, said he had ordered the book, which is printed in Bandung, withdrawn from book stores all across the province and had referred the case to the attorney general's office in Jakarta.

"We have withdrawn 271 of the total 5,100 copies printed from book shops in Bandung," Marsigit said, adding that he believed the book has also been marketed in Jakarta, Malang, and Yogyakarta.

He added that he has asked the attorney general to ban the book nationwide. It is not clear yet whether the attorney general will do so.

"Desain Jahudi", published by Eraseni Media Bandung, is a translation of a book by Max I. Dimont, the PELITA daily reported.

Marsigit said one of the parts which Muslim readers might find offensive appears on page 146. This segment states that the Jewish people helped the development of Islam during the times of the Prophet Mohammad. According to the book, the Jewish community introduced gold handicrafts and dates, and helped Muslims build the town of Medina.

"This will cause unrest in the Muslim community," Marsigit said.

Four people have been questioned in connection with the publication of the book but nobody has been arrested, he said.

#### **Thailand**

#### **U.S. Said 'Obstructing Peace' in Cambodia**

*BK2006083593 Bangkok SIAM RAT in Thai 20 Jun 93 pp 1, 2*

[Text] Commenting on the statement made by Winston Lord, U.S. assistant secretary of state for Asia and Pacific affairs on his disagreement with the inclusion of the Khmer Rouge in the new government of Cambodia, General Charan Kunlawanit, secretary general of the National Security Council (NSC), said on 19 June that such a statement is comparable to "U.S. colonialism."

The NSC secretary general went on: "The United States is obstructing peace in Cambodia," adding that the Cambodian people should be allowed to make their own decision in dealing with the problems after the election. The U.S. assertion that the inclusion of the Khmer Rouge in the new Cambodian Government can affect U.S. assistance for Cambodia in the future amounts to disrespect for the three major principles of the Paris agreement—respect for the Cambodian people's right to self-determination, national reconciliation, and a political settlement of the Cambodian problem.

General Charan is a member of the Thai delegation going to the United States for talks on bilateral issues on 26 June—the United States being suspicious that Thailand is either still trading with the Khmer Rouge or sending weapons to help them. A few days before the Cambodian general election, the United States sought permission from the Thai Government to have its AWAC aircraft patrol inspect the areas along the Thai-Cambodian border. However, the Thai Government turned down the request on the grounds that such a task should be carried out by the United Nations, not the United States.

#### **Interfering in Government Formation**

*BK2106090793 Bangkok SIAM POST in Thai 21 Jun 93 p 4*

[Editorial: "Allied Government in Cambodia"]

[Text] The elections in Cambodia passed smoothly but moves to form a permanent coalition government have not been so unambiguous.

In the 16 June statement of the Phnom Penh palace, Prince Norodom Sihanouk, the chairman of the Supreme National Council, was forming a provisional government to run the country while awaiting the promulgation of the constitution. News reports say the provisional government will have no prime minister but will have Prince Norodom Ranariddh and Hun Sen serving as joint chairmen of the coalition government.

It is worth noting that Prince Sihanouk, as president of the country, has achieved a compromise by giving equal political status to his own son and Hun Sen and appointing Son Sann vice president. This can be viewed as a great sacrifice for the Cambodian nation on the part of Prince Sihanouk,



who made a big mistake by declaring himself prime minister on 3 June. Even Prince Ranariddh rejected Prince Sihanouk's appointing him as deputy to Prince Sihanouk alongside Hun Sen. Prince Sihanouk's appointment also violated the Paris peace agreement.

The latest point worthy of concern is the U.S. stand which indicates that the United States will oppose the current effort to form a Cambodian tripartite government if it includes the Khmer Rouge.

U.S. assistant secretary of state Winston Lord said firmly that the inclusion of the Khmer Rouge in the Cambodian government is likely to preclude the United States from giving any financial assistance to Cambodia. It could be concluded that excessive foreign interference is the obstacle to peace and reconciliation in Cambodia.

### **Chuan Meets U.S. Official**

*BK2106092093 Bangkok Radio Thailand Network in Thai 0530 GMT 21 Jun 93*

[Interview with Prime Minister Chuan Likphai by unidentified reporter during a briefing at Government House on 21 June after his meeting with the U.S. assistant secretary of state—recorded]

[Text] [Reporter] Did he remind us once again not to trade with the Khmer Rouge? This seems to be what the United States wants to emphasize to us.

[Chuan] Yes, in fact the U.S. State Department has been trying to make a correction on our behalf. This charge was made by U.S. senators; I told him that U.S. politicians sometimes relied on old information. The U.S. State Department has already clarified this point on our behalf.

[Reporter] Yet, the U.S. assistant secretary of state repeated this point.

[Chuan] Do you mean the former secretary? [words indistinct] In fact, the charge was made by Senator John Kelly, and the U.S. State Department has already made a correction on our behalf.

[Reporter] Have we....

[Chuan, interrupting] I told him not to rely on past information. This government is intent upon upholding UN resolutions. I can refer to the U.S. ambassador as our witness since we have always complied with all UN resolutions. We do not want any more misunderstandings.

[Reporter] It seems that they are trying to tell us not to trade with the Khmer Rouge once Cambodia has a new government.

[Chuan] We have not discussed that. We only talked about the U.S. misunderstanding caused by past information. I told him that my government has been abiding by all UN resolutions. We were even ready to uphold international resolutions at the expense of our own businessmen. We want them to understand that; and they said they understand this fact. The U.S. assistant secretary of state himself

said he understands it. He spoke on behalf of the U.S. Government and praised Thailand for its position.

[Reporter] What was his comment about the formation of a government in Cambodia?

[Chuan] He asked for our opinion, but I think the United States [words indistinct]. What the Cambodian people should do [words indistinct] we have nothing to add. It is the decision made by the Cambodian people.

[Reporter] Did he request any contributions from Thailand?

[Chuan] Nothing.

[Reporter] Were there any other points made during the talks?

[Chuan] Yes, we also discussed trade and other matters. About the 31 July deadline, I told him that Thailand has been strictly enforcing the law and we have arrested copyright violators. Anyway, we do not want to just please the United States; we are pushing the law enforcement in order to put our administration on the right track. I told him that we are consistently pursuing efforts to suppress law violations. [end recording]

### **ASEAN Statement Supports Cambodian Poll Results**

*BK1906101393 Bangkok Radio Thailand Network in English 0000 GMT 19 Jun 93*

[Text] Thailand joins her ASEAN counterparts in issuing a statement by the ASEAN foreign ministers on Cambodia dated June 17, 1993.

Recalling her statement on the election in Cambodia of May 18, 1993, ASEAN welcomes and endorses the successful election in Cambodia conducted by the UN Transitional Authority in Cambodia, UNTAC. ASEAN foreign ministers support the declaration of the secretary general's special representative that the conduct of the election was free and fair. The courage of the Cambodian people in coming out in large numbers to cast their votes clearly reflects their determination to have peace and to work for the reconstruction of Cambodia.

The statement said the Cambodian parties and international community should respect fully the results of the election, which have demonstrated that the Cambodian peace settlement worked out by the international conference on Cambodia in Paris remains a viable solution for Cambodia and all parties should continue to respect the terms of the settlement.

ASEAN ministers applaud the efforts of Samdech Norodom Sihanouk to unify the Cambodian people and bring about national reconciliation. A calm and stable political climate, the statement said, will contribute to the drafting of the constitution and a peaceful establishment of a new government in accordance with the terms of the constitution.



ASEAN urges all parties concerned to refrain from acts that might lead to renewed hostilities or even civil war in Cambodia. It reaffirms its full respect for the sovereignty, independence, and territorial integrity of a united Cambodia and its commitment to non-interference in the internal affairs of Cambodia and calls upon all the countries concerned, particularly the neighboring countries of Cambodia, to do the same.

#### **BOT Urges Compromise in IPR Talks With U.S.**

*BK2006045893 Bangkok Radio Thailand Network in English 0000 GMT 20 Jun 93*

[Text] The Board of Trade [BOT] of Thailand supports the government's efforts in holding negotiations with the U.S. on intellectual property rights [IPR] protection. In the statement released yesterday, the BOT said the prolonged negotiations will affect the Thai private sector's trade and investment, which rely on the U.S. market.

The statement calls on the government to create confidence in trade and investment with the U.S. It says the government and authorities concerned must be serious in following up on the issue, taking into account interests of the country rather than personal interest. The BOT says if the negotiations fail, the U.S. will impose trade retaliation on Thai exports, causing damage to the country's economy and employment situation. It urges both sides to compromise on certain issues, such as the so-called pipeline period of patented drugs. The BOT says the U.S. should make it clear that if both sides conclude an agreement on intellectual property rights issues the U.S. will withdraw Thailand from its Priority Foreign Country Watch List.

#### **Reportage on U.S. Pharmaceutical Patent Issue**

##### **Threats of Airline Curbs Urged**

*BK1906012993 Bangkok BANGKOK POST in English 19 Jun 93 p 22*

[Text] The Thai Pharmaceutical Manufacturers Association has called on the Government to threaten the United States with cuts in airline landing rights if Washington continues to harass Thailand over pharmaceutical patents.

Association President Charurot Dankiatkong said Thai Airways International is at a disadvantage in landing rights because US airlines are allowed 60 flights per week to Thailand while THAI only has permission for seven.

The association represents Thai companies who largely manufacture pharmaceuticals that do not have patent protection. Its president also called for legislation to allow the Thai Red Cross to have special permission to import drugs in times of emergency, a proposal designed to avoid abuse of monopoly power by patent holders.

##### **Effect on AIDS Prevention Viewed**

*BK2006015293 Bangkok THE SUNDAY POST in English 20 Jun 93 p 2*

[Text] The Public Health Ministry and nongovernmental organisations [NGOs] yesterday called on the Commerce

Ministry to consider long-term adverse effects of retroactive patent protection of drugs as demanded by the United States.

At a discussion on the effect of pipeline protection on Aids drugs, conducted by the Coordinating Committee for Primary Health Care of Thai NGOs (CCPN), the panelists expressed concern about increasing economic problems that would arise from purchases of imported drugs which would be much more expensive than estimated by the Commerce Ministry.

CCPN adviser Dr San Hathirat said the ministry should not take sides with the United States by caring about a little gain from exports, but should consider the long-term effects on Thais.

"The Commerce Ministry should not speak as if it represented the United States concerning patent rights for drugs registered in our country," Dr San said.

He called on the Public Health Ministry to play a more important role in demanding that the Commerce Ministry should not provide pipeline protection because it is against the ministry's policies.

Dr Suwit Wiphunphonprasoet, director of the technical division of the Food and Drug Administration, said the Commerce Ministry had underestimated the loss at only 25 million baht through pipeline protection.

He said Thailand would lose about 3,000 million baht.

Dr Suwit said that an increase in demand for a new drug would last for at least three to four years after it went on the market.

Rural Doctors' Association representative Prawit Lisathaphonwongsa said that if Thailand agreed to pipeline protection for new drugs, Aids vaccines would be too expensive for most carriers in Thailand.

Prof Chiraphon Limphananon of Chulalongkorn University's drug study group said the United States wanted pipeline protection for drugs registered in the country after September 30, 1991, which included medicines that have to be continuously used by patients.

She insisted that Thailand had not violated intellectual property rights because Thailand had its own laws on medicine. [Bangkok THE NATION in English on 20 June, in a similar story on page 2, added the following: "Chiraphon said the United States' aim is to monopolize unregistered drugs in Thailand which have already been on sale in other countries.

"This, she said, would eventually affect the import of all of the 99 anti-Aids drugs under research worldwide. Only importers and producers of these drugs would be entitled to sell them in the country. Many people would be unable to afford to pay for the drugs, thereby causing the further spread of Aids.

"Chiraphon described as 'unfair' the US demand from Thailand."]



Dr Somsit Tansuphasawatkun of Bamrungradnaradul Hospital said a tremendous amount of money has been spent on AZT medicines for HIV carriers.

He said it cost about 200,000 baht for each HIV carrier to buy AZT medicines and the patient has to take the medicine five times a day.

He said that did not cover costs to cure opportunistic infections that could result from immunity deficiencies, such as tuberculosis [TB], fungal infections and pneumonia.

In Thailand, more than half the Aids patients suffer from TB and have to take compulsory medicine for nine months to recover and have to take medicine for the rest of their lives, Dr Somsit said.

He said that because TB is resistant to medication, new medicines would have to be bought, which would be very expensive.

Public Health Ministry representative Ms Atchara Wararat said the Government would have to spend more on assisting HIV carriers if pipeline protection was provided.

Ms Atchara said the Public Health Ministry had a budget of 33 million baht to buy medicines, whereas 52 million was required to buy AZT which would be demanded by patients of all hospitals throughout the country.

An HIV carrier whose code name was Khun Khamnung said that sometimes HIV carriers had to ask doctors to cut down the AZT prescription because it was too expensive.

The director of the Aids Counselling Centre and Educational Support Services (Access), Chon Ungphakon, said pharmaceuticals should not be profit oriented because it was a basic right for people throughout the world to be provided with medicine.

He said that when AZT was initially produced, it was to cure cancer.

But when it was found it could help HIV carriers the price was hiked up.

Mr Chon said that although the price of AZT was reduced because there were similar medicines, it was still expensive and sold for profit.

Government organisations lack coordination in providing medicines especially to HIV/Aids carriers, according to a seminar participant.

#### **No Patent Law Amendment Reaffirmed**

*BK2106023793 Bangkok THE NATION in English  
21 Jun 93 p B2*

[Text] Government Spokesman Aphisit Wetchachiwa reaffirmed that the government will not and cannot amend Thai patent law to accommodate the US demands for increased protection of pharmaceutical patents, especially regarding the issue of pipeline products protection.

Speaking at a roundtable seminar entitled "Thailand and its preparation for US trade demands on pharmaceuticals" on Friday, Aphisit said "Thai patent law BE 2535 cannot be amended under the Royal Decree rule to limit the pharmaceutical patents board's powers and compulsory licensing powers, and to extend protection for drugs patented abroad but not yet marketed in Thailand."

Later, though, he indicated that clarification of governmental powers was possible—presumably through the issuance of regulations under the law rather than amendments to the law—but the number of years that marketing rights for drugs in the pipeline would be protected was still a contentious issue.

Participants opposed extending the period during which a drug can be withheld from the market to monitor safety effects, which had been proposed as a means to satisfy US demands for extended exclusive marketing rights, and they opposed extending recognition of patent rights for fear that patent holders would charge high prices if they held monopolies over the distribution of their patented drugs.

Thailand is currently listed as a "priority foreign country" (PFC) for special scrutiny by the US government, accused of inadequate intellectual property copyright protection and deficient patent laws.

On March 31, the US set a three-month deadline, to expire July 31, informing Thailand that it must move seriously both to protect copyrights and amend patent laws in order to avoid retaliation.

Currently, the US wants Thailand to amend three provisions of the Thai patent law concerning pharmaceuticals:

—The Pharmaceutical Patent Board's powers should be clarified. Established to protect consumers from possible monopolies, the board has the right to monitor possible overpricing and other monopoly power abuses.

The US says that, as written, the powers are potentially too great and too intrusive into company boardrooms and laboratories.

—Compulsory licensing enforcement powers should also be clarified. The current Thai patent law allows the government to force patent holders to licence competitors to produce patented drugs if the holders abuse their monopoly rights by not producing a drug or producing it at high prices "without a proper rationale."

The US also found this phrase too vague, leaving a future Thai government too much discretionary power to force a drug patent holder to give up its exclusive marketing rights.

—Pipeline product protection should be provided for drugs already patented abroad but not yet marketed in Thailand. The US wants a seven-10 year period of protection.

Thailand, however, proposed a two-year safety monitoring period plus one year of exclusive marketing rights, with an additional year's protection if the drug is rarely used. Drugs that are required by few patients naturally produce fewer



sales to compensate the patent holder for the costs of introducing a drug in the Thai market.

"The issues of the pharmaceutical patent board's powers and compulsory licensing powers are less of a problem—it is only a matter of clarifying (governmental) powers and actions. But the issue of extending backdated protection for pipeline drugs is still under debate," Aphisit explained.

As Thailand cannot provide what the US wants by amending the law, other public health measures to extend pipeline protection to 7 years as demanded by the US are also "not proper", according to the strongly voiced opinions of several participants in the seminar.

Chingchai Mahakaeow, deputy secretary-general of Food and Drug Administration (FDA), pointed that providing pipeline protection would extend monopoly rights and drive up the price of drugs.

"Simply because they would have no competitors, they could charge a high price," Chingchai said, "besides, generic products, which are 10-fold cheaper, could not be produced, as the original drug (formula) would be protected under pipeline (patent) protection."

Chingchai also talked about the length of the protection period. "Two years protection is really enough," he said.

"I know that the US FDA (Food and Drug Administration) requires at least a three year safety monitoring period. When the drug comes to Thailand, we monitor for another two years as side effects are different over time and for different ethnic (genetic) groups," Chingchai explained.

"Since the US presses us with ultimatums, we will extend protection for another year and an additional year for drugs which are needed by very few patients. That should be enough," Chingchai affirmed.

Chirapon Limpananon of Chulalongkorn University's Pharmaceutical Faculty agreed and pointed that the government could not respond to the US demands by simply extending the two-year safety monitoring practice (SMP) to seven years.

"What SMP does is let doctors see immediate side effects in a limited group of patients, a new kind of limited approval for drugs by the US FDA. However, if the period is extended to seven years, it is not to see immediate effects. Rather it is Post-Marketing Surveillance (PMS), to see what the drugs do to a vast number of people, after being approved for marketing," Chirapon explained.

"The SMP and PMS concepts are separate. You cannot just expand a two-year SMP to seven years because many people who need a drug quickly will not be given access to the drug," Chirapon said.

She cited the stand of a US antibiotics drug producer, who said the SMP should be reduced to six months only. "As they see it is worth it to release a drug to the public after six months [and take a risk that more people will suffer from a hitherto unknown side effect] rather than wait longer and

take a risk that a disease will spread (or that people will suffer unnecessarily) especially the Aids-related diseases," she said.

A food and drug expert of the Thai FDA, Yuwadi Phathanawong, said pipe-line protection applies to drugs patented abroad but not yet marketed in Thailand, from the time the Thai patent law came into force.

"By this definition, pipeline products protection, if we are to give what the US demands, will cover old drugs already marketed abroad but coming to Thailand for the first time, and also drugs in the R&D [research and development] process," she said.

"Our major worry is drugs in R&D. Nobody knows when these drugs will come to Thailand, and worse, we don't know how many there will be. Once they came to Thailand, we would be bound to give (extended) pipeline protection for these products," Yuwadi explained.

The effects, therefore, are long-term and widespread. Yuwadi said that with extended pipeline products protection, the public would get nothing but high prices.

"The drug price would not be under pharmaceutical patent board surveillance nor under compulsory licensing. Besides, our pharmaceutical industry is still not strong enough to depend on ourselves," Yuwadi warned.

The Commerce Ministry's Deputy Permanent Secretary Suchai Chaowanawisit, however, warned that Thailand, PFC watch list, is now under Section 306 of the 1998 US Trade Act, meaning that the US can retaliate at any time without warning.

"What the US did to both Japan and the EC was rather serious and we should consider this when deciding what we should do in this matter," Suchai said "but the extent to which we respond to US demands depends on the government."

"Our being on the US PFC watch list causes uncertainty, especially among US importers. Therefore, we think we should get off this list," Suchai explained.

Dr Surakiat Sathianthai of the Faculty of Laws, Chulalongkorn University, said that more public hearings on the issue of pharmaceutical pipeline protection should be held to help the public to understand the situation.

According to Surakiat, as next month's deadline is approaching and the US will evaluate Thai actions to that point, the country should do what it can to take initial steps to partially address the concerns of the US.

"There is no need to give them everything they ask for, and I think that the US will understand the situation, even if it is painful for them," Surakiat said.

Surakiat pointed that the recently established parliamentary committee formed to consider public health issues is a good sign and that it should take a more active role in these issues.



"From now on we can say we cannot do such and such because the parliament will not allow us to, as some other countries have done," Surakiat quipped.

Aphisit said that whether the government will conform to US demands or not depends on policies outlined earlier by Prime Minister Chuan Likphai.

"Prime minister Chuan said clearly that if we need to change because it is the lawful thing to do, we will do it. If we need to amend the law to meet international standards, we are willing to do it.

### **U.S. 'Satisfied' With Copyright Actions**

*BK2106145593 Bangkok Army Television Channel 5 in Thai 1200 GMT 21 Jun 93*

[Text] Deputy Commerce Minister Phaithun Kaeothong reported after his meeting with the visiting U.S. assistant secretary of state that the United States is satisfied with the government's suppression of copyright violations. He said there was no mention about the pharmaceutical patent protection during the discussion.

[Begin Phaithun recording, in progress] ... satisfied with the government's campaign which has been continuing, especially the suppression of copyright violations. They are happy with the work done. They did not raise up for talks the drug patent and other issues. They only said they are satisfied with the work of the government. [End recording]

The deputy commerce minister also reported that the U.S. official told Thailand the United States did not think Thailand's textile industry would be affected by the NAFTA [North American Free Trade Agreement] grouping. The United States believed that the Uruguay round of trade talks would be completed by the end of this year.

### **UN Criticized for Weak Stance on Human Rights**

*BK1906014993 Bangkok THE NATION in English 19 Jun 93 p A6*

[Editorial: "A Dis-United Nations Loses Sight of Human Rights"]

[Text] At a time when the United Nations should be exercising leadership in advancing human rights, it shows itself to be preoccupied with the sensitivities of most abusive governments.

The UN-sponsored World Conference on Human Rights in Vienna, which opened on Monday, was to establish the notion that no state had the moral authority to violate the rights of its own citizens. A historic declaration was to be made whereby the world would look inside borders and judge a government by the way it treated its people.

However, certain governments are hell-bent that this final communique espousing that human rights are the same everywhere for everyone, would not get through the conference.

### **Hardliner Countries**

On Wednesday, China led a campaign among hardline countries to eject non-governmental organizations (NGOs) attending the World Conference from the committee drafting the meeting's final document. NGOs such as Amnesty International protested angrily that the United Nations had allowed itself to be brow-beaten by China's threat to boycott the drafting committee if independent human rights representatives were present.

The UN action in acceding to China's request to exclude NGOs from the drafting committee on the final communique comes as no surprise.

Late last month, Chinese dissident Shen Tong was refused permission by UN Secretary-General Butrus Butrus-Ghali to address journalists at the United Nations Correspondents Club, after a protest from Beijing.

Butrus-Ghali is the first secretary-general to officially ban from UN property someone who displeased a member state and his action directly contravened Article 100 of the UN Charter which states that "the secretary-general and the staff shall not seek or receive instructions from any government or any other authority external to the (UN) Organization."

China is perhaps the most outspoken of a group of Asian countries that accuse the West of trying to impose its human rights values on regions with different religious and cultural traditions and object to moves to strengthen the UN's authority to denounce human rights abuses.

The hardline Asian countries have also shot down a proposal to include the role of a UN human rights commissioner in the final declaration of the conference. These countries have cited fears that the commissioner would increase UN interference in their internal affairs.

The most important task for the high commissioner for human rights would have been to take initiatives and coordinate UN action in response to human rights emergencies so as to ensure that appropriate attention is given to human rights concerns in any country of the world.

In presenting Beijing's formal position to the conference, Chinese Deputy Foreign Minister Liu Huaqiu reiterated his government's view that economic development was the most important "human right" of any developing country. "The argument that human rights is the precondition for development is unfounded," he said, adding that individual rights could never prevail over those of the state and society.

But nowhere has it been demonstrated that in order to develop, governments are at liberty to torture their people. Under no circumstances must governments be allowed to ask their people to choose between bread and liberty. Morally, the rights of the citizens against the state are much more important than the rights of the state against its citizens.



### **Totally Incapacitated**

In the press backgrounder, the United Nations stated the World Conference on Human Rights would adopt an agenda for action that could dramatically increase the effectiveness of the UN's human rights work in the coming years and into the next century.

It goes without saying that this agenda for action is of utmost urgency in view of the gross human rights abuses happening around the world. But the United Nations, we hate to say, is now almost totally incapacitated in dealing with serious human rights abuses because of the legacy of the Cold War when the superpowers did not want the international body infringing on their sovereignty.

Sadly, the Vienna conference instead of portraying internationalism, has allowed disintegration to rear its ugly head. Frankly, the previously respected world body should now be renamed the dis-United Nations.

### **Minister on Crackdown on Copyright Violators**

*BK2106143393 Bangkok Army Television Channel 5 in Thai 1200 GMT 21 Jun 93*

[Text] Deputy Commerce Minister Churin Laksanawisit today met with representatives of five companies in the Association of Traders in Television Tapes and Services who expressed their support for the government's suppression of copyright violations. The minister reported that, over the past six months, the government took action against 707 cases of copyright violators involving more than 300,000 pirated tapes. He said further action would be taken.

[Begin Churin recording] We will continue with the legal action as well as the suppression. Yesterday, we made more arrests. This will continue. There should be no worries. Our efforts will not stop short because we have already made our position clear. The figures as well as actions taken have been put on record. [end recording]

The deputy commerce minister added that there will be no more amendments to the patent and trademark laws. Meanwhile, a study is under way on amending the copyright law, particularly concerning computer software, in order to make it more realistic under present conditions.

### **Regional Economic Zone Plans for Chiang Rai**

*BK2006021093 Bangkok THE SUNDAY POST in English 20 Jun 93 pp 20, 21*

[By Sombat Raksakun]

[Text] Chiang Rai, known for the natural beauty of its endless mountains populated by hilltribes and the sea of fog in its valleys, is about to be transformed into a centre of economic development within the region encompassing part of Burma, Laos and southern China.

As China begins to open its southern region to the outside world, its population of 200 million offer a potentially lucrative market for Thai business people. They visualise intensifying trade and tourism.

Chiang Rai is in the most advantageous position to profit from this economic boom. As the nearest Thai province to southern China, it has begun to attract both politicians and investors. Seminars are being held there to explore ways to exploit its potential.

Many leading Thai politicians, from both the government and opposition parties, and businessmen have recently visited the northern province.

In what was billed as a "friendship tour", Prime Minister's Office Minister Dr Sawit Photiwihok, who oversees the Tourism Authority of Thailand and the National Energy Policy Office, led a caravan of vehicles in May from Chiang Rai to Chiang Tung (Keng Tung) in Burma.

Gen [General] Chatchai Chunhawan later led a group of opposition politicians to a seminar, "The Development of Chiang Rai Province from a Politician's Perspective".

At last week's no-confidence debate, he also stressed the importance of making a new economic zone in the upper North.

Deputy Prime Minister Suphachai Phanitchphak, who is in charge of the sub-regional cooperation plan, recently said the government will shortly set up a national committee to oversee a cooperation scheme aimed at developing the four-country region, particularly in communications.

Various groups are pushing for a free-trade zone encompassing Burma, China, Laos and Thailand. Dubbed the "Economic Rectangle", the concept is based on the European Economic Community. If the effort materialises, it is hoped Chiang Rai will become a trade and business centre and gateway to the free trade zone.

Apparently, local people are sold on the idea. They see it as a vehicle to spread development throughout the province and lift its status to rival that of its Chiang Mai. Local businessmen are particularly enthusiastic and have played a role in opening the Chinese border.

Chiang Rai Deputy Governor Phira Manathat said the Cabinet recently adopted the idea as an economic development plan for Chiang Rai. He added that the Interior Ministry has included Chiang Rai in its strategic province project, an experimental scheme that includes five other provinces—Chon Buri, Nakhon Si Thammarat, Phuket, Sing Buri and Sisaket.

To map out a provincial economic plan, provincial authorities have joined with the private sector, educational institutions, and non-government organisations (NGOs) to organise a seminar to discuss the province's history, traditions and culture, and its direction in the next decade.

The results of the seminar have been integrated into the provincial development master plan called the "Five Chiangs Strategy". It foresees Chiang Rai as the centre of the economic region, which also includes Chiang Mai, Chiang Tung (Keng Tung), Burma; Chiang Rung, China; and Chiang Thong, Laos.



"We must have a long-term perspective to see the economic future of Chiang Rai in the next decade. This is an economic offensive by the province. Economics would be the main issue in the future," Deputy Governor Phira said.

The governors of Chiang Rai and China's Yunnan Province have exchanged several visits, Mr. Phira said, and Chiang Rai Governor Khamron Bunchoet has agreed to an exchange programme in economics, trade, culture and tourism for the region, with Chiang Rai as the centre of communications under the "Five Chiangs" plan.

Mr Khamron plans to visit Burma and Laos to survey communications there, the deputy governor said. The two neighbouring countries are waiting to see which of the planned road routes the Thai and Chinese governments will choose.

There are now three main routes—one existing and two planned. The 165-kilometre road linking Mae Sai, Chiang Rai, with Chiang Tung (Keng Tung), Burma, is reportedly undergoing renovation. The plan would extend it to 245 kilometres to Tah Lua in southern China.

A second road has been planned to link Chiang Khong in Chiang Rai with Luang Namtha, Laos, 195 kilometres away. It would also link up with southern China.

The third planned route would be a 130-kilometre road from Thung Chang in Nan Province to Hongsa, Laung Prabang, in Laos.

Local Thai officials and businessmen have taken an active role to open the Chinese border to trade and tourism. Surprisingly, however, the Government seems reluctant to set the direction for the development of the proposed free economic zone, though it has encouraged bureaucrats to carry on with the plan.

Border trade, especially at Thachilek and Mae Sai in Chiang Rai, is now locally run without a well-planned system and without much attention from the Government.

Even without government involvement, private initiatives go on. Business people from Thailand, Burma, Laos and Yunnan recently held an informal meeting and agreed to cooperate on tourism development. As a result, tourism has been booming in Mae Sai. Most tour operators are Thai and many guides are from Burma. Apart from Thai and foreign tourists travelling to Burma through Thailand, it is likely that Chinese tourists from Yunnan will be able to travel to Thailand through Burma soon.

Deputy Governor Phira said experts from the four countries are planning to dredge and blast rapids in the Mekong River to allow larger boats, in anticipation of increased tourism through the waterway.

"Improvement of the waterway along the Mekong River between Chiang Khong and Yunnan Province should be supported. It doesn't require a large investment such as would be needed for roads," said veterinarian Thanomsak Seriwitchayaswat, president of the Chiang Rai Chamber of Commerce.

"Since the 'Economic Rectangle' is national policy, Chiang Rai wants a formal trade agreement between the Thai and Chinese governments as soon as possible."

Local traders want official sanction because the establishment of customs and immigration at the ports and checkpoints would facilitate trade and tourism, he said.

Chiang Rai is attracting hordes of visitors who help boost the local economy. Mr Thanomsak reported that commercial flights between Bangkok and Chiang Rai are full daily. In contrast, flights between Bangkok and Chiang Mai are not always fully booked and are sometimes even cancelled.

Chiang Rai's economy had grown during the Chatchai Chunhawan administration but suffered a setback as a result of the February 1991 coup. Now increased economic activity in neighbouring countries has brought about a resurgence of economic growth. The second "economic wave" is expected to be even bigger than the first, he said.

One of the goals of the "Economic Rectangle" plan is to create a "visa free zone", said Dr Yingyong Taoprasoet, a lecturer at Chiang Rai Rajabhat Institute's Department of Health Science.

That means Thai officials may face a wave of illegal immigration from Laos, Burma and China in the near future, he said.

Furthermore, economic gain from the development plan will not be oneway only.

"Nobody knows who would profit from sub-regional cooperation. Thailand may become China's market because China has plenty of cheap labour and Thailand's more expensive goods would be unable to compete with China's," Dr Yingyong said.

Chiang Rai's economy may not be exactly booming, but the concept of a new economic zone in the upper North has awakened what was once a sleepy province to the realisation that it can also have the prosperity that Chiang Mai has long enjoyed. Now it has a road map for getting out of the shadow of its neighbour.

As a gateway to the new zone of sub-regional cooperation, Chiang Rai has good reason to be optimistic. But its "golden opportunity", both from foreign investment and booming tourism, may also bring the environmental damage that has marred Chiang Mai's success.

Dr Yingyong suggested that the development of trade, culture, education and environment go together and that the future of Chiang Rai is a national issue.

"If Chiang Rai residents hope to benefit fully from economic development, they have to be aware of its consequences. They have to worry about the social, cultural and environmental problems that follow."

To balance the strong tide of development following the implementation of the "Economic Rectangle" plan, NGOs and the private sector in Chiang Rai have to plan for a "Cultural Rectangle", he said. The idea is not to counter the economic plan but to promote cooperation between



people in the four countries on cultural and environmental issues, with the guidance of local wisdom.

In a way, Chiang Rai is fortunate because it can learn the painful lessons of development from Chiang Mai. Will Chiang Rai follow in Chiang Mai's footsteps? Sooner or later, Chiang Rai must choose between economic prosperity and conservation of natural resources.

### **Groups Oppose Dam, Water Diversion Projects**

*BK2006022493 Bangkok THE SUNDAY POST in English 20 Jun 93 pp 20, 21*

[Text] It is a truism that one cannot gain something without losing something else.

While Chiang Rai is roaring ahead towards being the centre of a new economic grouping of Thailand, Burma, China and Laos, the province is on the verge of losing its most important natural resource, the Kok River.

As part of a scheme to help relieve water shortages in the Central Plains, which includes Bangkok, the Royal Irrigation Department (RID) plans to divert water from the Kok, Ping and Nan rivers.

The scheme is unrelated to the so-called Kok-Ping-Nan Project—a plan to construct at Ban Pong Na Kham in Chiang Rai's capital district. Approved by a September 1980 Cabinet resolution, it was to be carried out by Generating Authority of Thailand (EGAT).

Opposed to both projects, a group called the Committee for the Kok River's Development and Rehabilitation organised a tour of Chiang Rai on June 4-6. Under the banner of "Inquiry into the Lanna Heritage", the tour focused on opposition to the dam project.

According to Chainarong Setchua, an official of Wildlife Fund Thailand, the dam was to be built about 10 kilometres northwest of Chiang Rai. It would be 50 metres high and 500 metres wide and equipped with two 24-megawatt generators.

He claimed that the Government, due to fierce criticism, transferred responsibility for the dam project to the RID and the National Energy Office.

If the plan goes ahead, more than 2,600 houses above the construction site will be forced to relocate. The flooded area will also cover Ban Tha Ton, Mae Ai District, Chiang Mai, a popular tourist attraction.

Besides city residents in Chiang Rai, the grassroots committee's campaign to counter claims by government agencies targeted hilltribes and villagers living along the river.

The committee comprises non-government organisations (NGOs), students, teachers, private companies, and 200 long-tailed boat drivers who conduct tours on the river. The campaign aims to warn villagers about the adverse effects of the dam and the water diversion project.

"We don't want a bitter experience like the one at Pak Mun Dam, so we are campaigning against the project before construction begins," said Chainarong.

Intense local opposition to the Pak Mun Dam in Ubon Ratchathani; stalled and nearly derailed the project. But after the "National Peace-keeping Council" staged a coup in February 1991, EGAT seized the moment to revive the project because NGOs and villagers were unable to stage public protests. By the time public protests were allowed again, construction of the dam had gone too far to be halted.

With this in mind, the committee is determined to get a head start on its campaign to halt the Kok River Dam.

"It is essential that people living along the river who may be adversely affected be given sufficient information about the project," said Thewin Akrasilakun, a committee member.

But the RID's scheme to divert water from Kok River to the Chao Phraya River Basin is likely to evoke much more concern than the Kok Dam plan, he said.

The committee claimed that the dam would cause large-scale deforestation and long-term, irreversible environmental damage. It would disrupt the river and its ecosystem, hampering the migration of fish.

Citing a report by Technology Ace, an engineering consultant firm which conducted the feasibility study for the Kok Dam, the committee said the Kok has at least 68 species of fish and they will face extinction.

"The dam will serve people in the Central Region, but the local people who own the river will suffer," said Mr Thewin.

The RID denies it has been assigned responsibility for the Kok Dam project. Its responsibility is to oversee the diversion of water from the Kok, Ping and Nan rivers to the Chao Phraya River Basin, said deputy director-general for operations and maintenance Rungruang Chulachata.

EGAT has three projects to build dams above Chiang Rai city, but they have yet to be approved, he said.

Originally, the RID had planned to build a diversion dam about 10 kilometres below Chiang Rai's capital city. But since the site is close to the Yang Dam, which is under the supervision of the Ministry of Science, Technology and Environment, the RID decided to incorporate that dam into its plan so it would not have to build a new one.

Under the RID plan, water from the Kok and Ping rivers would be diverted by canals, culverts and underground tunnels to the Nan River in Nan Province during the rainy season. This water would then be sent to Sirikit Dam to be released into the Chao Phraya River.

The project is expected to provide an additional 2,700 million cubic metres of water a year to Sirikit Dam. According to an RID report, the additional would irrigate 1.68 million rai of ricefields and boost electricity generating capacity by 800 to 1,000 kilowatts an hour.



Mr Rungruang claimed that the water diversion plan would not affect the water supply in the Lower Mekong River Basin. The Kok River is a tributary of the Mekong River, and only 0.7 per cent of water flowing downstream would be diverted from the Mekong, he said.

The environmental impact study on the 25,850-million-baht project is expected to take 18 months to complete. Construction is expected to take four years if the project is approved.

"We believe the project will not affect people along the Kok River and will help irrigation for people who live below the dam. The water will be diverted during the rainy season only," he claimed.

Mr Rungruang is optimistic the Government will approve the project because it is technically feasible cheap, and can divert water quickly from the Kok.

While the RID's project does not require building a new dam on the Kok, it calls for the construction of another dam on the Ping River in Chiang Rai's Terng District and diversion canals, culverts, and underground tunnels. The Nan River would also need dredging.

"The cost of the project is unusually high because it includes digging underground tunnels and canals to cushion the environmental impact on areas along the way. The underground tunnels will cost more than 20,000 million baht," Mr Rungruang said.

The dam would be built according to conservation principles, he claimed, and would have no adverse environmental impact.

RID is contemplating using the Yang Dam for its water diversion project, but Chiang Rai environmentalists claim the dam has already caused suffering by restricting the water flow so that there is less water below the dam.

As a result, more fish are being caught, which has reduced the stock in the river. In addition, it has also caused soil erosion on the banks above the dam.

Members of the committee said the damage was the result of the government's failure to provide information on its projects to the people they affect most. They claimed that local people should benefit most from any project in their area.

"The Government should set-up a panel to hear the opinions of the private sector, government agencies, academics and local people before deciding to construct the dam," said Dr Yingyong Taoprasoet of Chiang Rai Rajabhat Institute's Department of Health.

"The Kok is like a lifeline to Chiang Rai's people. It is our most important water resource. We should have the first right to benefit from the river.

"Up to 47 percent of the water in the river will be diverted to the Central Plains, causing a drastic ecological change in the river," he added.

Chiang Rai people feel the project will steal their water, he said.

Dr Yingyong said he is not against dams per se "because I'm not an extremist".

"I agree with the idea that water from the river should be fully utilised. But the Government should respect the right of Chiang Rai people to have priority over the use of the river," he said.

RID's Rungruang rejected the argument, saying that water is a national resource which belongs to the whole country, not to any particular group.

Bangkok, the heart of the country and the Central Plains, an important rice-producing region, need more water. Therefore, it is the department's duty to seek water resources and distribute water according to need without discrimination, he said.

Meanwhile, local officials who have to deal with any government project in the province take great pains to avoid taking sides in the argument saying simply that water diversion is a national policy.

Chiang Rai Deputy Governor Phira Manathat, who presided over the opening ceremony for the committee's tour, said natural resources are useful for both developers and conservationists, and the province must try to satisfy both sides.

We try to prevent natural resource destruction because we know the Kok is important to tourism in the province. If the resource is destroyed, tourists will stop coming here."

Another Chiang Rai deputy governor, Kit Thirachaichayut, said the province is willing to listen to the opinions of all.

The province has tried to solve the problems of illegal use of public lands and water pollution "because we don't want the Kok River to become another rotting Ping River," he said.

### Some Officers Dissatisfied With Military Cuts

BK1806014193 Bangkok *THE NATION* in English 18 Jun 93 pp A1, A2

[By Watsana Nanuam]

[Text] It was like a bombshell being dropped inside a roomful of generals when Supreme Commander Woranat Aphichari recently vowed to rid the armed forces of "commander at large" posts currently held by about 250 of them.

ACM [Air Chief Marshal] Woranat said the cut of about 250 senior-level inactive posts would be in line with the policy to make the armed forces more compact and efficient. But his remark has fostered dissatisfaction among the middle- and senior-level military officers hoping to one day become commanders.

Usually, when military leaders talk about trimming armed forces personnel, they are referring to non-commissioned posts. So far, Woranat has been the only one to mention the



commanders' posts, involving those holding the ranks of major general up to field marshal.

Many military officers have secretly complained about the plan to do away with the "commanders at large" positions.

The posts, as they sound, are inactive. They have no office nor specific responsibilities. But many military officers want to maintain the inactive posts because they were created so middle-level officers, who far outnumber the 300 genuine posts of general, could attain the rank of major general or higher.

The commanders at large include those attached to various military headquarters, like the Supreme Command, Army Headquarters and the Office of the Permanent Secretary for Defence.

There are even "commanders attached to commanders", a post which sounds even more inactive. They could be commanders attached to any genuine commander, like the army chief and his deputies.

"There are too many commanders attached. These posts have to be abolished," Woranat said.

The supreme commander said all the "commander at large" posts should be done away with within the year.

Woranat said many of the commanders without office would reach their retirement by October when the annual military reshuffles take place. The rest of them would be transferred to vacant active posts after those who hold them also reach their retirement this year.

But several senior military officers have expressed doubts as to whether the armed forces would really eliminate such posts which made it possible to reduce pressure among promotion-seeking officers.

Many officers would have overtly opposed Woranat's proposal had they not been prevented from doing so by strict discipline.

However, their frustration managed to be vented through opposition MPs [members of parliament] during last week's no-confidence debate against the Chuan government.

Chat Phatthana Party deputy leader Athit Kamlang-ek said during the censure debate that the staff reductions could affect the morale of soldiers.

Athit's remark drew prompt denials from Defence Minister Gen [General] Wichit Sukmak and his deputy, Maj Gen [Major General] Sombat Rotphothong. They said the staff reductions would not adversely affect morale.

But it has already done just that, according to several senior military condition of not being named.

The officers said many of them had started to worry that they would not be promoted to higher ranks in the annual military resumes if the inactive posts were abolished.

They explained that many of them were made "commanders at large" just a year before their mandatory retirement

so that they could retire as major generals or higher. Some were even made "field marshals" without office.

Being promoted to a higher rank just before retirement is known to be a common way to "reward" officers who have served the armed forces for their entire working life.

Often, army colonels, and their counterparts in the other branches of the armed forces, who are favoured by their bosses, who are commanders with office, are made "commanders attached to" their bosses in annual reshuffles if there are no duty posts available.

When "genuine" posts are available in the following year, the "commanders attached to commanders" will fill the vacant seats.

"If the (inactive) posts are abolished, we will feel the pinch," an army colonel said.

"Usually, we colonels are made commanders attached to our bosses to get the rank of major general when no positions for major general are vacant. What would we do now?

"The (inactive) posts are necessary because there are many of us in the armed forces."

"It would be too much for us if they abolished these posts," another senior military officer said. "They should dissolve the armed forces right away."

But the post of "commander at large" is a two-edged sword.

To solidify their power, top brass are known to assign their men to control key commanding posts and move the remnants of the previous powers-that-be to become "commanders attached" to armed forces headquarters.

Several major generals and lieutenant generals were made commanders at large with higher ranks several years before their retirement when changes of power occurred in the armed forces.

It seems that the top brass have already noted the dissatisfaction among their subordinates.

Apparently to reduce the pressure, Army chief Gen Wimon Wongwanit said the streamlining of army personnel would take time and would be carried out step by step.

"If an operation has to be made to streamline the army, we will ensure that it will not cause pain," Wimon said.

Wimon said a consensus had to be reached among the top brass in the Defence Council which makes armed forces policy, on how to remove what he called the "fat".

"I won't do it in such a way that livelihoods are destroyed," said Wimon, who will reach his mandatory retirement in October.

Usually, the top brass try to avoid causing pressure among their subordinates in order to maintain their loyalty which is necessary to help the brass remain in their own position.



As a result, it remains to be seen whether they would dare do away with all the commanders-at-large posts this year, as Woranat has said.

Woranat may wait until shortly before he retires next year to really drop the bombshell, so he has time to get out before it explodes.

## Vietnam

### Reportage on Ninth National Assembly Session

#### Further on 16 Jun Opening

*BK1806121393 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 Jun 93*

[Report on the opening of the Ninth National Assembly's Third Session in Hanoi—portions recorded]

[Text] The Third Session of the Ninth National Assembly solemnly opened at the Ba Dinh conference hall in Hanoi on 16 June 1993.

National Assembly deputies paid tribute to President Ho Chi Minh at his mausoleum prior to the opening ceremony. The wreath carried the following inscription: Eternally grateful to Great President Ho Chi Minh.

Attending were: Comrade Do Muoi, general secretary of the party Central Committee; Pham Van Dong and Vo Chi Cong, advisers to the party Central Committee; Le Duc Anh, president of the SRV; Vo Van Kiet, prime minister; and many high-ranking leading comrades of the party, the state, and mass organizations.

The third session of the Ninth National Assembly opened at 0830. [national anthem is heard playing in the background]

National Assembly Chairman Nong Duc Manh delivered his opening speech:

[Begin Nong Duc Manh recording] Dear Comrade Do Muoi, general secretary of the Communist Party of Vietnam [CPV] Central Committee; Comrade Pham Van Dong and Comrade Vo Chi Cong, advisers to the party Central Committee; Comrade Le Duc Anh, president of the SRV; Comrade Van Kiet, prime minister.

Dear National Assembly deputies and distinguished guests: I would like to cordially welcome all the National Assembly deputies coming from various areas throughout the country to attend the third session of the Ninth National Assembly.

On behalf of the National Assembly, I warmly welcome distinguished guests, members of the diplomatic corps, and international friends present at this solemn opening of the third session of the SRV's Ninth National Assembly.

Dear National Assembly deputies: Continuing the development achievements scored in 1992, All echelons, sectors, and people throughout the country continued with the development achievements scored in 1992 and have successfully implemented the resolution of the Ninth National Assembly's second session. This resolution dealt with the

tasks for 1993 during the first six months of this year and created momentum for development in the days ahead as well as affecting change in the socioeconomic situation, national defense and security, foreign relations, and in other domains. We, however, are still facing numerous difficulties and challenges. This requires that our entire party, Army, and people exert still-greater efforts to successfully fulfill all the tasks laid down for 1993 and the National Assembly's resolution.

This session of the National Assembly will discuss and assess the actual situation, analyze the existing strong points and shortcomings and their causes, draw on new, useful lessons of experience, and discuss policies and measures to continue successfully implementing the tasks for the remaining six months of 1993. These discussions will be based on the government's report on the implementation of the National Assembly's resolution on the tasks for 1993 during the first six months of the year as well as on the National Assembly Standing Committee's recapitulative report on the views contributed to the National Assembly by voters nationwide.

Carrying out the legislative agenda for 1993, the National Assembly will attach importance to the debate on and adoption of the law on land; the agricultural land-use tax; the law amending and supplementing the laws on sales tax, income tax, special consumption tax, export tax, and import tax; the law on oil and gas; the law on publication; and the law on power and order in the promulgation of legal documents. The National Assembly will also make suggestions to the draft law on state business and the law on business bankruptcy. These are important laws aimed at continuing the institutionalization of the party's line and policies, concretizing the 1992 constitution, and meeting the requirements of the country's renovation process. With keen interest, the people are awaiting the National Assembly's correct decision on these laws.

To gradually renovate the operational system of the National Assembly in a practical and effective direction, the National Assembly will examine and pass the operational regulations of National Assembly deputies; groups of National Assembly deputies; and the Standing Committee, Nationalities Council, and other committees of the National Assembly.

The National Assembly will also examine, amend, and supplement the legislative program for 1993 and decide on a number of other important matters.

Dear National Assembly deputies: The Third Session of the Ninth National Assembly is being held after the conclusion of the party Central Committee's Fifth Plenum. The resolution of this plenum on continuing socioeconomic reform and development in the rural areas will create favorable conditions for the National Assembly to examine and decide on various matters related to the agenda of the session, thus helping to accelerate national development in the days ahead.

The agenda of the session is fairly weighty as it carries many important contents and will last for a relatively long



period of time. Meanwhile, work conditions are rife with difficulties. Therefore, it is necessary for us to further modify or change the methods of examining various draft laws, regulations, and major reports in a way that could help to successfully carry out the agenda.

I suggest that all National Assembly deputies uphold their sense of responsibility to voters throughout the country, foster democracy, and concentrate their efforts and minds on eagerly discussing and contributing many practical and profound views so as to make the session a fine success.

I would like to declare open the Third Session of the Ninth National Assembly of the Socialist Republic of Vietnam." [applause] [end recording]

On behalf of the government, Deputy Prime Minister Phan Van Khai read a government report on the implementation of the National Assembly's resolution on the tasks carried out during the first six months of 1993. The report said:

The situation in the country continued to undergo fine changes during the past six months. This is reflected in a relatively comprehensive fashion in various areas of activity with the following prominent features:

First, production and circulation continued to develop fairly well.

Second, monetary management and regulation tasks showed new improvements, thus contributing to achieving gradual economic stability.

Third, various fields of activity—educational, scientific, cultural, health, and social—received increased leadership in accordance with the spirit of the seventh party Central Committee's four plenum resolution. Visible changes for the better have been seen in certain important areas of work.

Fourth, security and national defense were firmly maintained.

Fifth, international relations were constantly broadened and strengthened thanks to achievements in our renovation undertaking and correct foreign policy as well as other positive diplomatic and foreign economic activities.

Comrade Phan Van Khai said:

[Begin Phan Van Khai recording] Generally speaking, we may say that the fine achievements scored in 1992 have been consistently brought into full play during the first six months of this year. This indicates that achievements and progress made in the implementation of the renovation undertaking are neither temporary nor accidental. Once again, the unyielding impetus and creativity of our people have been clearly manifested, especially when our nation faces numerous difficulties and ordeals. The renovation undertaking has promoted the potentials of our nation and the capabilities of the Vietnamese people, while winning increasing support, assistance, and cooperation from foreign countries.

Achievements scored during the past six months have testified to the correct leadership of our party and state; the

effective supervision and management of the government, sectors, and localities which have gained more knowledge and experiences in implementing the renovation undertaking, especially in the economic domain.

The government has strengthened its work relations with various organizations of the National Assembly. Progress has been made by the government in supervising and coordinating with various sectors and mass organizations. Its control work has been enhanced and its coordination with localities has been strengthened.

While asserting our achievements and progress, we must seriously review our weaknesses that caused setbacks to our progress. We must seriously evaluate our weaknesses which have decreased uniformity and stability in our advancement. We should realize all the great difficulties that must be overcome to successfully implement the duties outlined by the National Assembly for 1993.

Agricultural and industrial production is experiencing difficulties in terms of capital, technology, and market. Goods smuggling which has not been eliminated continues to be a threat to various consumer production sectors. The potentials of various economic sectors have not been fully developed. Reform in the state-run and collective economies has progressed slowly. The management of public property is carried out loosely and ineffectively. Investment for development is still minimal and improves quite slowly. Many important infrastructure projects have not been funded for actual construction. These weaknesses, if not overcome, will not only block our economic growth rate in the years ahead but also on a long-term basis.

The financial and monetary situation still contains some unstable factors, including difficulties in balancing the national budget and in the relations between the prices of agricultural products and those of industrial products and services. The prices of some goods, especially the prices of cement and construction steel, have been fluctuating mainly due to the poor balance between supply and demand.

Progress made in the education, health, and social work is only limiting the service's downward slide and is not effecting any great and comprehensive improvement, especially in mountainous and isolated areas and in regard to the poor. The unemployment situation is still very acute, especially for the youth. The struggle against corruption and smuggling is achieving only limited effect. The prevention of social evils is not yielding any clear results. Political security, social order, and the protection of land and territorial waters are continuing to face complicated situations, especially violations to our border and territorial waters and sabotage conspiracies inland.

The world and regional situations provide both positive and negative trends toward our country. However, we have strictly adhered to our foreign policy of peace, cooperation with all nations, and resolving all outstanding and newly arising problems in the relations with other countries



through peaceful negotiations and in the spirit of respect for each other's independence, sovereignty, and legitimate interests.

Regarding Cambodia, we advocate the efforts to strengthen the good neighborly and friendly relations with this country, respect the Cambodian people's right to self determination, and refrain from interfering in Cambodia's internal affairs. We must realize, however, that the situation in this country is still complicated.

It is necessary to say that in creating a favorable international condition for the cause of national development demands us to stay alert and to work in an unyielding fashion. Our country is facing numerous difficulties left over by history or by the impact of foreign interference, and superimposed upon that are the difficulties and weaknesses arising from our management and supervision errors.

The renovation of policies and systems especially fails to meet the needs and practical changes of daily life. We still lack a general vision and uniform coordination in the renovation process. There are policies that have not yet been consistently substantiated in line with the renovation process as is the case with a number of policies toward peasants, the settlement of issues concerning the state-run economy, and the renovation of the financial, monetary, and credit policies.

Guidance for work implementation remains a weak point for various components at various levels. Even the promulgation of documents guiding the enforcement of laws, regulations, and decrees is usually slow and, in some cases, lacks synchronization. This causes difficulties and loopholes in the process of implementation.

Guidance has not yet been provided by various sectors and localities for the constant and scrupulous implementation of a number of major tasks, such as guarding against corruption and smuggling, curbing waste, paring down expenditure, and reducing personnel staffing. This causes these tasks to yield poor results.

These shortcomings are closely linked to the state of sluggishness and slowness in the process of renovating the state machinery. Meanwhile, the administrative and judicial reform process is just in the preparatory stages. Cadres and civil servants have not yet extricated themselves from the practices of the old mechanism and still fail to perform duties in a way to meet the needs arising from renovation process. These are great obstacles to the renovation process and national development.

The government clearly realizes its responsibility in these shortcomings and heartily welcomes the views presented by the people and voters demanding that the government, National Assembly deputies, and all sectors and echelons fulfill their responsibilities. [end recording]

Regarding major issues that must be solved in order to fulfill all the tasks for 1993 and make preparations for 1994, the report says:

It is necessary to improve the financial-monetary situation and to overcome factors that cause instability and hinder development, especially the issues concerning budget and prices.

Regarding budget, the budget revenue plan for the first six months of this year was carried out more satisfactorily than in previous years. The level of overspending did not exceed the permitted limit, while the rate of inflation was lower than during the same period last year. The implementation of the budget plan for the last six months, however, remains a very heavy task. Money saved from many major expenses during the past six months has now been amassed for use in the coming months in such tasks as applying the new wage system, solving the employment problem, and covering hollow land and bare hills with greenery.

The most important measure to increase budget is to increase revenue to meet the needs of budget expenditure. This, however, does not mean that we have to raise tax rates, but means we must collect taxes properly and in full in accordance with the tax laws that have been promulgated. The second measure is to step up the control and inspection of budget expenditure and oppose losses and waste.

Regarding the need to stabilize prices, due to the rapid increase in budget expenditure with a relatively large amount of cash, it is necessary to strictly supervise with uniform coordination the circulation of currencies. We must ensure a balance between money and goods in order to prevent a sudden change in prices during the last six months of this year. It is also necessary to achieve the objective of bringing the price index for the whole year to below the 15-percent mark.

Regarding the effort to step up development investment, the government report says:

[Begin Phan Van Khai recording] First of all, it is necessary to urgently prepare feasibility plans, orderly determine priority order, and successfully amass capital for development investment with regard to key economic projects, especially those involving the construction of socioeconomic infrastructure. It is also necessary to anticipate new possibilities for sources of development aid.

Financial agencies must ensure that capital is furnished to projects, which are being built with budgetary funds, on schedule and in accordance with set plans.

The formulation and institutionalization of policies encouraging and directing investment in the country should be carried out faster so that they can be promulgated for implementation from this year.

The peasant policy together with the viewpoint on agriculture development and rural economy directly affect 10 million families or 80 percent of the population. They contribute a very important share to the political and social stability in the countryside and the nation. They create preconditions for the economic development and acceleration of industrialization in the coming period, as analyzed by Comrade General Secretary Do Muoi in his 3 June 1993



speech at the Fifth Plenum on rural socioeconomy of the party Seventh Central Committee.

The plenum resolution, together with the revised law on land and the law on land use which will be discussed and decided in this National Assembly session, will create new momentum in the rural areas that we need to develop quickly and correctly in the last six months of this year.

The execution of the party resolution requires a close leadership and the coordination of different sectors and levels to exploit the active peasant support, increase rural unity, and prevent possible phenomena that may lead to obstacles or disputes. We have to immediately concretize and execute the policy on granting land to peasants for stable and long-term use according to the guideline of the Fifth Party Plenum and the revised law on land. This task should be completed by the middle of 1994 in the entire nation. The task demands a speedy reform of state management on land. Before, we empowered the authority of agricultural land management to the cooperatives. Now, the village people's committees, under the direct guidance of the district governments and agricultural land management organs, is to coordinate with the cooperative management boards and peasant associations for a successful implementation of the granting of land and the issuance of land registration to peasants.

In order to save the total number of cultivable land which is very limited, it is necessary to supplement some concrete policies on land transfer and taxation, when the right to the use of cultivable land is traded and the land is not used for cultivation.

We have to prepare right now the planning for land taxation in conformity with the new law. The land taxation must be quickly introduced for implementation in the beginning of 1994. When implementing the law, it is necessary to clarify the preferential treatment policy on taxation in areas, fields, vegetation, and livestock that are needed to encourage investment in difficult and ethnic minority areas.

We have to create new improvements in the execution of the government decree on agriculture and forestry promotion tasks. At present, it is necessary to mobilize scientific and technological cadres and professionals from state organs, institutions, schools, and state economic units to form working groups assigned to villages and peasant families to provide guidance on agriculture production development and new technology application. They should give priority to mountainous and border areas, areas that stop planting poppy trees for other crops, and areas frequented by nomadic people. The government will allocate a part of the economic development fund for extra financial assistance to ensure the living, moving, working conditions for these cadres so that they can work in those areas for a certain period necessary to bring about practical results.

Efforts have been made to broaden credit activities in the countryside in a faster manner. The amount of credit loans offered by banks to the collectively- and privately-run economic sectors, especially peasants, over the past six

months has increased faster than that offered to the state-run sector. This is reasonable. This is, however, not satisfactory as the amount of credit loans granted to peasants and the privately-run economic sector is still too low, representing only 22 percent of the total loans and this practice is confined to the form of short-term loans. This weakness should be positively overcome in the period ahead in conjunction with efforts to increase the autonomy of various commercial banks, promptly readjust the interest of bank deposits and bank loans, satisfactorily exercise the policy of borrowing the money for loaning it to others, reduce inconvenient procedures, and unfailingly eliminate the bad practice of loan sharking as this amounts to putting pressure on peasants.

We should adopt a separate system for preferential credit loans reserved for needy peasants. To shape up an equity market in the advance toward a stock market in the economy, we should come up with appropriate and reasonable plans and steps capable of ensuring wholesome development and effective operation of these markets. [end recording]

The report also touched on the task of effecting a more drastic change in and undertaking administrative reform in the cultural and social fields. This is the central task of the process of renovating the state apparatus closely related with economic reform and with the renovation of the political system.

With regard to the issue of applying a new wage system, Deputy Prime Minister Phan Van Khai said:

[Begin Phan Van Khai recording] In administrative reform, the establishment of a civil service system should be accompanied by the application of a new wage system. While the economy is still unstable, the financial situation unhealthy, and the duty of dispelling inflation still heavy, the government already asked the National Assembly's second session to approve a plan for gradually applying a new wage system in which minimum wage and gradual pay increase are fixed.

In compliance with a decision of the National Assembly's second session, the government has compiled a system of wage scale and allowances for administrative and service officials and military personnel, has readjusted the pension and allowances for retirees, for those people entitled to welfare policies, and for city ward and village cadres. The Ministry of Labor, War Invalids, and Social Welfare have forwarded a separate report on the application of the new wage system to National Assembly deputies. Here I would like to further elaborate on the application of the new system of wage categories and wage scale, effective 1 April 1993.

There are some new points in this new wage system aimed at doing away with indiscriminate egalitarianism and with irrationalities in the old wage system, and differentiating the wage of elected officials from that of appointed civil servants. All civil servants shall be classified into appropriate wage categories and wage levels. If they hold leadership positions, they shall receive additional allowances for



this. The new wage system clearly defines wage categories depending on personnel's knowledge, work performance, and wage levels for each category of personnel in accordance with their seniority of service. Those with long years of service but unqualified for category change shall be given a grade promotion.

This new wage system has been studied and drawn up in a relatively meticulous fashion with the participation of all sectors concerned. However, the wage-related relations are a very complicated and sensitive issue and this wage system is applied to cadres and personnel of various generations with different backgrounds of training and advancement under conditions where we have just begun carrying out administrative reform and have yet to establish a statute for civil servants and set up standards for providing assistance to the people in an adequate and clear-cut fashion. That is why in incorporating wage scales into a new wage system, we should adopt a work method suitable to the actual situation, and avoid impatience and hastiness, and refrain from causing confusion and trouble in internal relations. Furthermore, we should attach importance to those stipulations on wage categories and wage levels. These wage categories and wage levels are not permanent because they will be supplemented and readjusted to do away with obstacles and irrationalities discovered in the implementation process. [end recording]

While trying to achieve the goals of carrying out administrative reform and purifying the state apparatus, we should fight corruption and smuggling. This is a pressing demand that concerns the entire society. Corruption and smuggling have occurred on a large scale. However, this bad practice has been found mainly in the administrative system and those involved in this bad practice have capitalized on loopholes and irrationalities in our policy structure. That is why we should involve ourselves more deeply in revising and supplementing our policy structure so as to do away with such negligence and shortcomings. This is an urgent task that has duly contributed to the effort to eradicate corruption and smuggling. Comrade Phan Van Khai went on:

[Begin Phan Van Khai recording] As this is a very complex task, we should resolve the following things in the period ahead:

—National resources and assets should be appropriately priced. And this requires careful management. This should be done in such a way that there are people in charge of all the assets of the country and the state and that these assets are worthy of being preserved and developed. It is necessary to promptly carry out this policy toward those state properties now being seriously infringed upon such as land, houses, investment capital, and trade businesses' assets. Anything that is deemed unnecessary to remain under state ownership can be transferred into private or collective ownership.

—It is necessary to adhere to the principles of freedom of trade in those domains that are not prohibited by law, lessen the need to obtain permission from so many

public organs and echelons, reduce unnecessary procedures as they only cause inconveniences.

- As an immediate task, efforts should be made to promptly examine various procedural regulations in connection with the granting of licenses for business operations and occupational practice, the granting of import-export licenses, and the distribution of export-import quotas, as well as those procedures and fees for ownership transfer; the distribution or allocation of houses and other assets; procedures on imports and exports, and so forth.
- Laws, regulations, and procedures applied to citizens by civilian organs should be made public so all the citizens, public organs, and state employees can be dutybound to comply with them. State organs directly handling requests by citizens should post a list of procedures and paperwork needed for handling these requests and should make the people understand stipulations related to these requests. Citizens have the right to know the names and positions of the civil servants handling their requests.
- Doing away with the bad practice of officialdom is an important demand for administrative reform as it contributes to fighting corruption.
- Gradually improving the tax system and renovating tax collection methods, doing away with the situation where tax collection is carried out in a bargaining fashion, and minimizing exceptions such as those on tax exemptions or reductions.
- The system of cash penalties for administrative violations should also be revised in this direction.
- It is necessary to accelerate the establishment of economic and administrative tribunals in order to use legal procedures to resolve various disputes between businesses themselves and between citizens and state organs and to develop legal services and legal consultation.

If we make deeper studies into each work area, we may find many other specific issues to be tackled.

This is not the end of the story. Solutions, however, are not simple. The reason is because on the one hand, we lack knowledge and experience, and on the other hand, our problem-solving methods affect the interests of those individuals and groups that are taking advantage of the loopholes in mechanisms and policies to protect their privileges. Therefore, to tackle the above-mentioned problems, we must conduct scientific investigations and research as well as struggle against conservatism and bureaucratism. It is important for everyone to uphold this spirit while preparing draft laws and regulations related to the legislative plan already approved by the National Assembly. [end recording]

Next, Deputy Prime Minister Phan Van Khai touched on the contents of a number of projected socioeconomic development projects and budget allocation programs for 1994. In the conclusion of his report, the deputy prime minister categorically said:



[Begin Phan Van Khai recording] Dear comrades: Thanks to the party's leadership, the resolutions of the party Central Committee, the supervision and assistance of the National Assembly, and the close coordination of the Fatherland Front and mass organizations, the government will make every effort to develop achievements and overcome weaknesses and shortcomings in management and supervision so as to fulfill its duties. We are convinced that those changes for the better in the first six months of the year will continue to encourage the entire people to use their aggregate strength to overcome difficulties and obstacles, successfully implement the National Assembly's resolution on the tasks for 1993, and make better preparations for national development in the years ahead. Thank you, comrade National Assembly deputies, for your attention. [applause] [end recording]

The National Assembly also heard the following:

- Minister Le Xuan Trinh, head of the Government Office, on behalf of the government, delivered a report on the draft law on oil and gas;
- Mai Thuc Lan, director of the National Assembly's Economic and Budget Committee, delivered the committee's investigative report on the draft law on oil and gas;
- Justice Minister Nguyen Dinh Loc, on behalf of the government, delivered a report on the draft law on power and order in the promulgation of legal documents; and
- Nguyen Van Yeu, deputy director of the National Assembly's Judiciary Committee, delivered the committee's investigative report on the draft law on power and order in the promulgation of legal documents.

In the afternoon, the National Assembly heard the following:

- Vu Mao, member of the National Assembly's Standing Committee, on behalf of the committee, delivered a report summing up voters' suggestions to the National Assembly;
- Minister of Culture and Education Tran Hoan, on behalf of the government, delivered a report on the draft law on publishing activities;
- Tran Thi Tam Dan, director of the National Assembly's Committee for Cultural and Educational Services for Youth, Teenagers, and Children, delivered the committee's investigative report on the draft law on publishing activities;
- Finance Minister Ho Te, on behalf of the government, delivered a report on the draft bills on tax law amendments; and
- Ly Tai Luan, deputy director of the National Assembly's Economy and Budget Committee, delivered the committee's investigative report on the draft bills on tax law amendments.

The National Assembly will continue its work on 17 June.

#### Further on 18 Jun Proceedings

*BK1806135493 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 18 Jun 93*

[Text] Today is the third day of the Ninth National Assembly's third session. The deputies continued to hold group discussions.

In the morning, the deputies worked in groups to debate the amendments or supplements to the laws on commercial, special consumption, income, and import-export taxes.

The deputies discussed the various issues mentioned in the draft law on amendments or supplements to a number of tax laws one at a time. They agreed with many suggestions to the draft law like the granting of permission to business establishments to pay taxes in foreign currency and the application of measures to avoid double taxation. In addition, they suggested that tax reduction be applied to vocational training activities, scientific-technical service areas, cultural and artistic activities, and so forth. Many deputies also called everyone's attention to the serious tax collection shortfalls at present.

At their group discussions in the afternoon, the National Assembly deputies debated on the draft law on power and order in the promulgation of legal documents. The draft law comprises six chapters and 55 articles. Chapter 1 contains the general provisions. Chapter 2 deals with those agencies which are vested with the power to promulgate legal documents, as well as with forms of legal documents. Chapter 3 deals with the compilation of legal documents. Chapter 4 deals with the preparations for and review, endorsement, and promulgation of legal documents. Chapter 5 deals with the supervision, management, and control over the promulgation of legal documents. Chapter 6 contains the final clauses.

During their debates, some deputies suggested that the name of the draft law be shortened. Others stressed the need to further uphold the role of the National Assembly's Judiciary Committee in this respect. Many deputies suggested some amendments or supplements to a number of sentences or phrases for the sake of clarity. Some even recommended the rewording of each chapter.

The National Assembly will continue its group debates tomorrow.

#### 19 Jun Morning Proceedings Reported

*BK1906062593 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 19 Jun 93*

[Text] This morning the National Assembly deputies held group debates on the government report on the socio-economic situation in the first six months. Many opinions voiced support for the report. In the last six months, the national situation has continued to develop satisfactorily. However, it has not been stable. It still has great weaknesses and difficulties that need to be overcome.

The deputies focused on the details of the national socio-economic situation in the last six months. They especially emphasized industrial production and the competition



between smuggling goods and local products. They stressed that despite having a favorable harvesting season, peasants are not quite happy because the price of agricultural products has been decreased.

They also discussed other issues such as wages, housing rents, employment, and so forth. This afternoon the deputies will continue their group discussions on the socioeconomic situation in the last six months.

#### Further on 19 Jun Proceedings

*BK1906143593 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 19 Jun 93*

[Text] Agricultural production was one of the major topics animatedly debated among many groups of National Assembly deputies when discussing the government's report on the socioeconomic situation in the past six months.

Most of their views pointed out that despite a bumper agricultural crop this time, peasants are still not happy because the prices of agricultural produce are still low. In addition to that, the problem of agricultural investment remains unsolved, and many needy peasant families still lack production capital.

Deputy Nguyen Ngoc Phuong from Ho Chi Minh City disclosed that peasant voters in his city suggested that the land law and the law on agricultural land use tax be passed at this session to create favorable conditions to encourage agricultural production.

Deputy Dang Khoi from Nam Ha said what concerned him most was that the state has not purchased much produce such as paddy and subsidiary crops from his province, as its buying power is low.

Deputy To Xuan Toan from Ninh Binh pointed out that despite an increase in rice yields, the living conditions of peasants have only improved slowly, the average area under cultivation is low, and the volume of rice production increased only moderately. Therefore, what is most important is to solve the agricultural output problem.

The Hanoi group of National Assembly deputies warned about the current supply of fertilizer for agricultural production, especially nitrate, of which there is a surplus but is still allowed to be imported. The deputy suggested that the government regulate fertilizer stocks to prevent price fluctuations. The group also warned about the exceedingly low price of yellow-flower Thanh Long cactus used as raw material for the production of anti-malaria medicine.

Deputies from Dong Nai, Song Be, Tay Ninh, and Ba Ria-Vung Tau suggested that the state promptly provide information and predictions of market trends to reassure peasants while they are engaged in production.

Most of the National Assembly deputies agreed that the socioeconomic situation during the past six months had undergone obvious changes, but that these changes were not orderly enough.

Comrade H'Nghia, National Assembly deputy from Gia Lai Province, said:

During the past six months, the investment in socioeconomic development in the Central Highlands in general and Gia Lai Province in particular did show some increase. In Gia Lai, the construction of the two major projects, namely the Ya Li hydroelectric project and the A Yun Ha water conservancy project, will start soon. This has aroused the enthusiasm of the local people.

Deputy Chu Pham Ngoc Son from Ho Chi Minh City noted that the report is relatively candid and that it could reflect reality. Meanwhile, he expressed concern over the continued degradation of various colleges in Ho Chi Minh City. He also suggested that strategies be worked out by the government to combine all colleges with production establishments and research science.

Deputy Yngong Nie Kdam from Dac Lac voiced concern over the slow changes in work related to the treatment, prevention, and control of malaria, leprosy, and goiter in the Central Highlands.

Many deputies suggested that the Ministry of Finance speed up the application of the new wage system, saying that house rentals should be added instead of being deducted from salaries, as is the current practise. He also criticized the government for its guidance in this matter.

#### 21 Jun Morning Proceedings

*BK2106092593 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 21 Jun 93*

[Text] This morning, 21 June, National Assembly deputies continued their group discussion on the government's socioeconomic situation. The deputies expressed an identity of views on the government's assessment of the socioeconomic situation during the first six months of 1993. Generally speaking, the national economy continues to achieve new progress. Industrial production at the central level and in localities has increased while agricultural production has scored remarkable results.

The National Assembly deputies also reminded the government about various pressing issues, especially those related to agriculture and the peasants.

Deputy Le Duc Duoc from Thanh Hoa Province proposed that the government formulate plans to ensure markets for agricultural products. This is aimed at stabilizing prices to help the peasants earn higher incomes. He said that current prices of agricultural products are too low while it is difficult for poor peasant households to get state loans for production. The deputy also stressed the significant role of the tax sector saying that if taxes are fully collected then the state will gain more revenue for its budget.



Deputies from the mountain provinces of Son La, Lai Chau, Lau Cai, and Yen Bai proposed that the government invest more money in developing the mountain region economy, especially in the remote areas and ethnic minority regions.

Deputy Ly Li Pha proposed that the government formulate a policy toward some ethnic groups facing extinction such as the Ha Nhi, La Hu, and Si La, and that measures should be taken to train more ethnic cadres. A group of deputies from Thanh Hoa Province also raised this issue and stressed that difficulties are still prevalent in the education and public health services in the mountain regions. Deputy Chan Na Pa proposed that in the remaining six months, efforts must be made to consolidate national defense and security.

At this morning's group discussions, many deputies raised the question of capital construction. Some deputies said that although the state has allotted a budget of 9,000 billion dong for capital construction this year, most of this amount will be used for seven key projects. The north-south 500-kilovolt power line alone requires 6,000 billion dong. As a result, the funds left over for other infrastructure projects are minimal.

Deputy Do Quoc San from Haiphong Municipality said that the actual construction costs for various projects are normally higher than economic and technical estimates, thus it is very difficult to balance accounts in capital construction. He called for efforts by the central government, localities, and sectors to solve this problem.

Dealing with the problem of allotting funds for capital construction, Deputy Pham Van Tra from Haiphong said that the capital management agencies still hold a rigid policy forcing construction units to work in accordance with set plans, thus preventing these units from speeding up their work to avoid the spiraling prices of construction materials.

This afternoon, the National Assembly will hold a plenary session at the conference hall in Hanoi.

#### **Trade Union Delegation Visits PRC**

*BK1906145093 Hanoi VNA in English 1429 GMT  
19 Jun 93*

[Text] Hanoi VNA June 19—A delegation of the Vietnam General Confederation of Labour [VGCL] headed by Hoang Minh Phuc, member of the Secretariat of the VGCL, began a working visit to China on June 14 at the invitation of the All-China Federation of Trade Unions [ACFTU].

While in China, the delegation was cordially received on June 16 by ACFTU President Ni Zhifu. During the reception Mr. Hoang Minh Phuc highlighted the achievements recorded by the Vietnamese people in the present renovation process, and expressed the working people's wishes that the friendship and cooperation between the trade union organizations of the two countries would be developed in the time to come.

The delegation also had working sessions with the ACFTU and some organizations of the working people in Beijing. It also toured Shanghai, Guangzhou and other places.

#### **Border Gate Reopens With PRC 20 Jun**

*BK2006145593 Hanoi VNA in English 1416 GMT  
20 Jun 93*

[Text] Hanoi VNA June 20—Thanh Thuy Border Gate between Ha Giang Province of Vietnam and Tian Bao of China was reopened at 9:00 hrs today by the people's committee of Ha Giang Province.

The reopening of Thanh Thuy Border Gate has created favourable conditions for the people on the China-Vietnamese border to exchange goods and sentiments.

#### **President Congratulates Sihanouk as Head of State**

*BK2106065993 Hanoi VNA in English 0612 GMT  
21 Jun 93*

[Text] Hanoi VNA June 21—President Le Duc Anh has sent his congratulations to Prince Norodom Sihanouk on the occasion of his becoming Cambodia's head of state.

The president expressed his belief that the Cambodian people under his leadership will build a peaceful, independent, unified, neutral and nonaligned country. He also reaffirmed Vietnam's constant stand of seriously implementing the Paris agreement, and wished to maintain and develop the neighbourly relationship and friendship with Cambodia on the basis of the joint communique signed with the head of state in Jan. 1992.

#### **Prime Minister Receives ROK Business Delegation**

*BK1906145293 Hanoi VNA in English 1426 GMT  
19 Jun 93*

[Text] Hanoi VNA June 19—Prime Minister Vo Van Kiet received here yesterday afternoon a delegation of Samsung group (the Republic of Korea) led by Pak Ki-suk, president of the design and construction company, during a visit to Vietnam to inquire into possibilities of cooperation in furtherance to the agreement reached between the prime minister and the president last May.

Mr Pak Ki-suk told the prime minister that the aim of his visit was to discuss with Vietnam's concerned establishments on long-term cooperation in five fields, namely electronics, agricultural and maritime products processing,



textile and garments, chemicals and thermal power. He said that the group wanted to invest in building some manufacturing areas for specific branches, and to be allowed by the Vietnamese Government to establish a Samsung-Vietnam cooperation committee to push up long-term cooperation.

Mr Pak Ki-suk said that the existing cooperative relations between Samsung and Vietnam in commerce would be a

fine foundation for the development of the group's investment in Vietnam in capital, technology and other fields.

Prime Minister Vo Van Kiet highly valued the results of the cooperation between the group and its Vietnamese partners in recent years and expressed his pleasure at the new development of those relations beginning with the investment in some industrial branches such as ship repair, production of cement and boat engines etc....